

Hawaii Public Housing Authority
State of Hawaii

IFB PMB-2010-13

Invitation-For-Bids to Furnish Security Services for the Federally
Funded Public Housing Site Known as Puuwai Momi Under Asset
Management Project 30 on the Island of Oahu

Note: If this IFB was downloaded from the Hawaii Public Housing Authority's website, each interested bidder must provide contact information to the IFB Coordinator to be notified of any changes. For your convenience, you may download the IFB Sign-In form, complete and e-mail or mail to the IFB contact person. The State shall not be responsible for any missing addenda, attachments or other information regarding the IFB if a proposal is submitted from an incomplete IFB.

Issued June 17, 2010



LINDA LINGLE
GOVERNOR



DENISE M. WISE
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
HONOLULU, HAWAII 96817

Notice to Bidders
(Chapter 103D, Hawaii Revised Statutes)

INVITATION FOR BIDS (IFB) IFB PMB-2010-13

Notice is hereby given that pursuant to Chapter 103D, Hawaii Revised Statutes ("HRS"), the Hawaii Public Housing Authority (HPHA) will be accepting sealed bids for security services at the federally funded public housing complex known as Puuwai Momi under Asset Management Project 30 on the island of Oahu as listed below for the 12-month period from August 1, 2010 to July 31, 2011:

Asset Management Project 30 (AMP 30)	Puuwai Mom (1026) 99-132 Kohomua Street, Aiea, Hawaii 96701
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The Invitation for Bids, Specifications, and Bid Offer Form may be picked up at the HPHA's Contract & Procurement Office located at 1002 North School Street, Building D, Honolulu, Hawaii 96817 or downloaded at the HPHA website at: www.hpha.hawaii.gov. beginning June 17, 2010.

Sealed bids will be received at the HPHA's Central Files, 1002 North School Street, Building D, Honolulu, Hawaii 96817 until 10:00 a.m. Hawaii Standard Time (HST) on Thursday, July 8, 2010. Opening of bids will commence at 10:15 a.m. HST at the HPHA's Contract & Procurement Office, 1002 North School Street, Building D, Honolulu, Hawaii 96817 on Thursday, July 8, 2010.

The HPHA will conduct a Pre-Bid Conference on Thursday, June 24, 2010 at the HPHA – Building E Conference Room, 1002 North School Street, Honolulu, Hawaii 96817 from approximately 9:00 a.m. – 10:00 a.m. HST with a site visitation to follow. All interested bidders are strongly encouraged to attend.

The HPHA reserves the right to reject any or all bids and to accept the bids in whole or part in the best interest of the State. If you have any questions, please contact Rick Sogawa, IFB Coordinator at 832-6038.

HAWAII PUBLIC HOUSING AUTHORITY

Denise M. Wise
Executive Director



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Section 1

Administrative Overview

Section 1

Administrative Overview

I. Authority

This Invitation-for-Bids (IFB) is issued under the provisions of the Hawaii Revised Statutes, Chapter 103D, and the related administrative rules. Prospective bidders are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed bid by any prospective bidder shall constitute admission of such knowledge on the part of such prospective bidder.

II. IFB Organization

This IFB is organized into five (5) sections:

- Section 1 Administrative Overview – Provides interested bidders with an overview of the procurement process
- Section 2 Service Specifications – Provides interested bidders with a general description of the tasks to be performed, delineates bidders' responsibilities, and defines deliverables (as applicable)
- Section 3 Bid Form and Instructions – Describes the required format and content for the bid
- Section 4 Bid Evaluation and Award – Describes how the bids will be evaluated by the HPHA
- Section 5 Attachments

III. Contracting Office

The Contracting Office is responsible for overseeing the procurement and the Contract resulting from this IFB. The Contracting Office is:

Hawaii Public Housing Authority
Contract & Procurement Office
1002 North School Street
Honolulu, Hawaii 96817

Telephone: (808) 832-6038

Fax: (808) 832-6039

For the purpose of this solicitation, the IFB Coordinator or his/her designated representative listed below:

Rick Sogawa
Contract & Procurement Office
1002 N. School Street, Bldg. D
Honolulu, Hawaii 96817
Email: rick.t.sogawa@hawaii.gov

Telephone: (808) 832-6038

The HPHA reserves the right to change the IFB Coordinator without prior written notice.

The office responsible for monitoring the services performed under the Contract is the Property Management and Maintenance Services Branch (PMMSB). For the purpose of this solicitation, the Contract Administrator or his/her designated representative is listed below:

Earl Nakaya
Property Management and Maintenance Services Branch
1002 North School Street, Bldg. E
Honolulu, Hawaii 96817 Telephone: (808) 832-4684

Any changes to the Contract Administrator or his/her designated representative shall be provided in writing to the Contractor. The HPHA reserves the right to change the Contract Administrator and shall be responsible to notify the Contractor of any change.

For the purpose of this solicitation, the Officer-in-Charge shall be the primary point of contact for the Contractor's day-to-day operational issues and reporting requirements. No changes to the Contract shall be implemented based on verbal instructions of the Officer-in-Charge.

Asset Management Project	Complex	Office Address	Officer-in-Charge
30	Puuwai Momi	99-132 Kohomua Street Aiea, Hawaii 96701	Ms. Mary Jane Hall-Ramiro Ph: (808) 483-2550

Any changes to the Officer-In-Charge or his/her designated representative shall be provided in writing to the Contractor. The HPHA reserves the right to change the Officer-In-Charge.

IV. Procurement Timeline

Activity	Scheduled Dates
Public notice announcing IFB	June 17, 2010
Distribution of bid specs/bid form	June 17, 2010
Pre-Bid Conference	June 24, 2010
Site visitation period	June 24 – July 7, 2010
Bid submittal deadline	July 8, 2010
Bid Opening	July 8, 2010
Notice of award	July 2010
Contract execution	July 2010
Contract start date	August 1, 2010

The HPHA reserves the right to amend or revise the timetable, without prior written notice, when it is in the best interests of the State. The Contract execution and start date are subject to the availability and release of funds. No services shall be provided prior to

the execution of a Contract.

V. Pre-Bid Conference & Site Visitation

Interested bidders are strongly encouraged to attend an optional Pre-Bid Conference on Thursday, June 24, 2010 at the HPHA – Building E Conference Room., Honolulu, Hawaii 96817 from approximately 9:00 a.m. – 10:00 a.m. Hawaii Standard Time (HST).

Prior to submittal of a bid, interested bidders may visit the site to thoroughly familiarize themselves with existing conditions. No additional compensation will be allowed by reason of any misunderstanding or error regarding site conditions/layout or work to be performed.

The HPHA will conduct a site visitation on Thursday, June 24, 2010 beginning at approximately 10:15 a.m. HST or at the conclusion of the Pre-Bid Conference. Interested bidders are strongly encouraged to attend.

Impromptu questions will be permitted at the Pre-Bid Conference and site visitation and verbal answers will be provided. Verbal answers provided by the HPHA are not binding and only intended as general direction. Written formal official responses to substantive questions will be provided to each interested bidder – as set forth in Section VI below. Any changes required will be issued as an addendum to the IFB.

VI. Submission of Questions

Interested bidders may submit questions to the IFB Coordinator identified in Section III of this IFB as previously listed. The deadline for submission of written questions is 4:30 p.m. HST, on June 28, 2010. Electronic mail and facsimile transmissions shall be accepted. All written questions will receive a written response from the HPHA. The HPHA's responses to the interested bidders' written questions will be sent via mail, email, or facsimile no later than June 30, 2010 or as soon as practicable.

VII. Submission of Sealed Bids

A. Forms/Formats – Bid Offer forms are attached at Section 5 of this IFB. See Attachment 2.

B. Bid Submittal – Sealed bids must be postmarked by United States Postal Service (USPS) or hand delivered by the date and time designated in the procurement timeline. Any bids post-marked or received after the designated date and time shall be rejected. Note that postmarks must be by the USPS or the bid will be considered hand-delivered and shall be rejected if late. **Electronic mail and facsimile transmissions of the Bid Offer shall not be accepted.**

Bids must be submitted in a sealed envelope and properly identified as a sealed bid in response to this IFB. Any bid documents not properly sealed or submitted

via email or facsimile shall be automatically rejected. There shall be no exceptions to this requirement.

- D. Wages and Labor Law Compliance** – Prior to entering into an Contract in excess of \$25,000, the Successful Bidder shall certify that it complies with section 103-55, HRS, Wages, hours, and working conditions of employees of contractors performing services. Section 103-55, HRS provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Interested bidders are further advised that in the event of an increase in wages for public employees performing similar work during the period of the Contract, the Contractor shall be obligated to provide wages not less than those increased wages. Interested bidders shall complete and submit a Wage Certification certifying that the services required will be performed pursuant to section 103-55, HRS. See Attachment 1.

The Successful Bidder shall be further obligated to notify their employees performing work under the resulting Contract of the provisions of section 103-55, HRS, and of the current wage rates for public employees performing similar work. The Successful Bidder may meet this obligation by posting a notice to this effect in the Successful Bidder's place of business in an area accessible to all employees.

- E. Confidential Information** – If an interested bidder believes that any portion of a bid contains information that should be withheld as confidential, the interested bidder shall request in writing nondisclosure of designated proprietary data to be confidential and provide justification to support confidentiality. Such data shall accompany the bid, be clearly marked, and shall be readily separable from the bid documents to facilitate eventual public inspection of the non-confidential sections of the bid documents. Nondisclosure of requested information is subject to Chapter 92F, HRS and is discoverable unless exempted by law. **Note that price is not considered confidential and will not be withheld.**

VIII. Discussion with Bidders Prior to Bid Submission

Discussions may be conducted with interested bidders to promote understanding of the HPHA's requirements.

IX. Opening of Bids

Upon receipt of sealed bids by the HPHA at the designated location, bids, modifications to bids, and withdrawals of bids shall be date-stamped, and when possible, time-stamped. All documents so received shall be held in a secure place by the HPHA and shall not be examined for evaluation purposes until the bid submittal deadline. Procurement files shall be open to public inspection **after a Contract has been awarded and executed by all parties.**

Sealed bids received by the due date and time shall be opened at the bid opening. Bid opening will commence at 10:15 a.m. HST on Thursday, July 8, 2010 at the HPHA's Contract & Procurement Office, Bldg. D, 1002 North School Street, Honolulu, Hawaii 96817.

In the unlikely event that the HPHA has received a bid that was misplaced or mishandled through no fault of the interested bidder by the HPHA, the HPHA shall publicly open the bid as soon as possible, contact all interested bidders to inform them of the additional bid and the bid price. Said bid shall only be opened if there is clear evidence that the bid was received by the HPHA by the posted due date, in the possession of the HPHA, and that the document was not properly opened during the posted bid opening date and time due to the HPHA's failure to properly manage the bid document.

X. Additional Materials and Documentation

Bid samples or descriptive literature should not be submitted. Any unsolicited documentation, literature, samples, or brochures will not be examined or tested, and will not be deemed to vary any of the provisions of this IFB.

XI. IFB Amendments

The HPHA reserves the right to amend this IFB at any time prior to the closing date for the final revised bids or as allowed under section 3-122, Hawaii Administrative Rules (HAR). Interested bidders will be notified of all amendments through written communication which may include electronic mail, facsimile, or USPS.

XII. Cancellation of the Invitation for Bids

The IFB may be canceled and any or all bids may be rejected in whole or in part at the HPHA's sole discretion, when it is determined to be in the best interests of the State.

XIII. Costs for Bid Preparation and Verification.

Any costs incurred by interested bidders in preparing or submitting a bid are the interested bidder's sole responsibility. Any costs incurred by the Successful Bidder prior to the execution of a Contract are not eligible for reimbursement.

Costs incurred in connection with the review, inspection and verification of information provided in the Bid Offer Form shall be the interested bidder's sole responsibility.

Interested bidders shall ensure that the HPHA is provided with the authorization(s) necessary to verify information provided in the Bid Offer Form.

XIV. Mistakes in Bids

While interested bidders are bound by their bids, circumstances may arise where a correction or withdrawal of bids is proper. An obvious mistake in a bid may be corrected or withdrawn, or waived by the interested bidder to the extent that it is not contrary to the best interest of the HPHA or to the fair treatment of other interested bidders. Mistakes in bids shall be handled as provided for in section 3-122, Hawaii Administrative Rules.

XV. Rejection of Bids

The HPHA reserves the right to consider as acceptable only those bids submitted in accordance with all requirements set forth in this IFB and which demonstrate an understanding of the service specifications. Any bid offering any other set of terms and conditions contradictory to those included in this IFB may be rejected without further notice.

A bid may be automatically rejected if it is:

1. Unreasonable in Price. A bid is unreasonable in price, if the bid price when compared with price submissions of other prospective bidders, prior Contract prices, and/or prices available on the open market is grossly unbalanced it is determined to be unreasonable in price, including not only the total price of the bid, but the prices for individual items as well.
2. Materially unbalanced. A bid is materially unbalanced, if there is a reasonable doubt that the bid would result in the lowest overall cost, even though it is the lowest bid, or the bid is so grossly unbalanced that its acceptance would be tantamount to allowing an advance payment. An example of a materially unbalanced bid is one where the bidding is at a very high price for the first item and extremely low for subsequent items.

Any bid offer which is submitted in a manner which alters the bid form or does not conform to the format and instructions provided shall be determined non-responsive.

XVI. Notice of Award

An award, if made, shall be as follows:

1. Awarded to the responsible and responsive Bidder submitting the lowest total bid price for the initial 12-month period ending June 30, 2011, option year one (1), and option year two (2) located on the Bid Offer Form. See Attachment 2. Interested bidders must submit a bid for regular security hours, special event security hours and administrative/judicial hearing security officer hours to be considered responsive. The award of the initial 12-month contract period shall not be deemed a commitment on the part of the HPHA to automatically exercise the additional two (2) 12-month option periods; and

2. In the case of a tie, the bid shall be awarded: 1) to the present Contractor (if it is one of the tied bidders and whose previous business and/or performance indicate that it was responsible); or 2) if there is no present Contractor or if the present Contractor is not a tied bidder, by the flip of a coin or some other random means of selection.

Any Contract arising out of this solicitation is subject to the approval of the Department of the Attorney General as to form, and to all further approvals as required by statute, regulation, rule, order or other directive.

No work is to be undertaken by the Successful Bidder prior to the Contract start date of August 1, 2010. The HPHA is not liable for any work, contract costs, expenses, loss of profits, or any damages whatsoever incurred by the Successful Bidder prior to the starting date.

Reference Responsibility of Bidder in section 3-122-112, Hawaii Administrative Rules ("HAR"). Bidder shall produce documents to the procurement officer to demonstrate compliance with this section. The Successful Bidder receiving an award shall be required to enter into a formal written Contract. The general conditions of the Contract are attached and service specifications are included herein. See Attachment 10.

XVII. Protests

An unsuccessful bidder may protest the solicitation or award of services only for a serious violation of procurement policies and operational procedures. Only the following matters may be protested:

- (1) A state purchasing agency's failure to follow procedures established by Chapter 103D of the Hawaii Revised Statutes;
- (2) A state purchasing agency's failure to follow any rule established by Chapter 103D of the Hawaii Revised Statutes; and
- (3) A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

The Notice of Protest shall be mailed by USPS or hand delivered to the head of the State Contracting Office conducting the protested procurement and the Procurement Officer who is conducting the procurement (as indicated below) within five (5) working days of the postmark of the Notice of Non-Award sent to the protestor; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers. Further provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award of the Contract. Delivery services other than USPS shall be considered hand deliveries and considered

submitted on the date of actual receipt by the State Contracting Office.

Head of State Contracting Office		Procurement Officer	
Name:	Denise M. Wise	Name:	Rick T. Sogawa
Title:	Executive Director	Title:	Acting Procurement Officer
Mailing Address:	P.O. Box 17907 Honolulu, Hawaii 96817	Mailing Address:	P.O. Box 17907 Honolulu, Hawaii 96817
Business Address:	1002 North School Street Honolulu, Hawaii 96817	Business Address:	1002 North School Street Honolulu, Hawaii 96817

XVIII. Availability of Funds

All interested bidders and the Successful Bidder shall be duly informed that the award of a Contract and any allowed extension of a Contract, is subject to allotments made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, HRS, and **subject to the availability of State and/or Federal funds. The HPHA shall retain the authority to cancel an award and/or not exercise the option period due to the lack of available funds.**

Nothing in this IFB shall be construed to obligate the State of Hawaii or the HPHA to pay for services at Federal public housing projects with State funds allocated for purposes other than security services.

XIX. Monitoring and Evaluation

The Successful Bidder's performance of the Contract will be monitored and evaluated by the Officer-In-Charge and the HPHA's Contract Administrator. The HPHA shall provide the Successful Bidder with a copy of all monitoring reports for their information and corrective action, as necessary.

Failure to comply with all material terms of the Contract may be cause for suspension or termination as provided in the general conditions. The Successful Bidder may be required to submit additional written reports, including a corrective action plan, in response to monitoring conducted by the HPHA. These additional reports shall not be considered a change to the scope of work and shall continue for the duration of time as deemed necessary by the HPHA.

XX. General and Special Conditions of Contract

The general conditions that will be imposed contractually are included as an attachment. See Attachment 10. The State's general conditions may be found on the SPO website at www.spo.hawaii.gov.

Special conditions may also be imposed contractually by the HPHA, as deemed necessary. Any necessary Special Conditions may be imposed under the Contract by the

HPHA. In the case of a conflict between the Special Conditions and the General Conditions, the Special Conditions shall apply.

The HPHA reserves the right to make small or major modifications to the quantity of items or reporting requirements contingent upon conditions that it is unable to anticipate now.

XXI. Cost Principles

The HPHA shall utilize standard cost principles at section 3-123 Hawaii Administrative Rules which are available on the State Procurement Office website. Nothing in this section shall be construed to create an exemption from any cost principle arising under Federal law.

(END OF SECTION)

Section 2

Specifications

Section 2 Specifications

I. Introduction

A. Purpose or need

The Hawaii State Legislature established the Hawaii Public Housing Authority (hereinafter "HPHA") under Chapter 356D, HRS. The HPHA consolidates all state housing functions and is administratively attached to the Department of Human Services. The corporation is a public body and a body corporate and politic. The HPHA's role is to address the housing needs of low income families in Hawaii. The HPHA seeks to procure security services to meet the agency's goal of providing safe, sanitary, and decent housing. The purpose of this IFB is to competitively procure security services to be provided on a regular schedule to the federally-funded public housing complex known as Puuwai Momi under Asset Management Project 30 on the island of Oahu.

B. Area of Service

The Successful Bidder(s) shall be required to certify that it is capable of providing security services during the primary contract period and the option period(s), if exercised. The complex is listed below:

Asset Mgmt Project	Site, Address
30	Puuwai Momi (1026) 99-132 Kohomua Street, Aiea, Hawaii 96701

C. Funding source and period of availability

Funds are subject to appropriation by the State's Director of Finance and/or U.S. Congress and allocation by the Governor, State Legislature and/or HUD. Funding and period of availability may change upon notice to the HPHA.

It is understood that no award shall not be binding unless the HPHA and/or the State Comptroller indicate that there is available an unexpended appropriation or balance of an appropriation over and above all outstanding contracts sufficient to cover the amount required by the Contract. Any Contract entered into as a result of this IFB is binding only to the extent that funds are certified as available and that the availability of funds in excess of the amount certified as available shall be contingent upon future appropriations or special fund revenues.

If there should be insufficient funds for any portion of the remaining Contract period beyond the initial twelve (12) month period ending July 31, 2011, the HPHA may terminate the Contract or revise the amount/quantity of services

required without penalty. Services will be reduced or rescheduled at the same bid price.

The HPHA reserves the right to pay for services, charges for special events, emergency calls, administrative or judicial hearings or other schedule changes using available State and/or Federal sources. Any additional services purchased under the terms of the Contract resulting from this IFB shall be at the same or similar contracted rates.

Any use of Federal funds may require the prior written approval of HUD.

II. General Requirements

A. Specific requirements

1. The Successful Bidder shall comply with the Chapter 103D, HRS Cost Principles for Purchase of Goods and Services and applicable HUD rules. The Successful Bidder shall also comply with applicable HUD rules at Handbook No. 2210.18.
2. The Successful Bidder must have no outstanding balances owing to the HPHA. Exceptions may be granted by the Executive Director of the HPHA for debts recently acquired and for debts which have a repayment plan approved by the Executive Director of the HPHA.
3. Interested bidders must be in good standing with the Department of Commerce and Consumer Affairs and submit a certificate to the HPHA with the Bid Offer Form.

To obtain a *Certificate of Good Standing* go online to www.hawaii.gov/dcca/areas/breg and follow the prompt instructions. To register or to obtain a "Certificate of Good Standing" by phone, call (808) 586-2727 (M-F 7:45 to 4:30 HST). The "Certificate of Good Standing" is valid for six (6) months from date of issue and must be valid on the date it is received by the HPHA. Interested bidders are advised that there are costs associated with registering and obtaining a "Certificate of Good Standing" from the DCCA.

4. Pursuant to section 103D-328, Haw. Rev. Stat., the Successful Bidder shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) prior to execution of an agreement. The certificate is valid for six (6) months from the most recent approval stamp date on the certificate. The certificate must be valid on the date it is received by the HPHA and until the Contract is fully executed by both parties.

The tax clearance certificate can be obtained from the State of Hawaii, DOTAX. The *Tax Clearance Application Form A-6 (Rev. 2003)* is available at the DOTAX and IRS offices in the State of Hawaii or the DOTAX

Website: http://www.hawaii.gov/tax/a1_1alphalist.html
Tel: (808) 587-7527

The application for the clearance is the responsibility of the Successful Bidder, and must be submitted directly to the DOTAX or IRS and not to the purchasing agency for processing.

5. Pursuant to section 103D-310(c), HRS, the interested bidder shall be required to submit an approved certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue and must be valid on the date it is received by the HPHA.

The certificate of compliance may be obtained on the State of Hawaii, *DLIR APPLICATIONS FOR CERTIFICATE OF COMPLIANCE WITH SECTION 3-122-112, HAR, Form LIR#2*. It is available at www.dlir.state.hi.us/LIR#27, or at the neighbor island DLIR District Offices. The DLIR will return the form to the Successful Bidder, who in turn shall submit it to the HPHA.

The application for the certificate is the responsibility of the Successful Bidder, and must be submitted directly to the DLIR and not to the HPHA for processing.

However, instead of separately applying for these (paper) certificates at the various state/federal agencies, the HPHA recommends that interested bidders use the Hawaii Compliance Express (HCE), which allows business to register online through a simple wizard interface at:

<http://vendors.ehawaii.gov/hce/splash/welcome.html>

The HCE provides the applicant with a "Certificate of Vendor Compliance" with current compliance status as of the issuance date, accepted for both contracting purposes and final payment. Interested bidders that elect to use the new HCE services will be required to pay any annual fee of \$12.00 to the Hawaii Information Consortium, LLC (HIC).

6. The Successful Bidder shall maintain insurance acceptable to the HPHA in full force and effect throughout the term of this Contract. The policies of insurance maintained by the Successful Bidder shall provide the following minimum insurance coverage.

<u>Coverage</u>	<u>Limit</u>
General Liability Insurance (occurrence form)	\$2,000,000.00 combined single limit per occurrence for bodily injury and property damage.
Automobile Insurance covering all owned, non-owned and hired automobiles.	Bodily injury liability limits of <u>\$1,000,000.00</u> each person and <u>\$1,000,000.00</u> per accident and property damage liability limits of <u>\$1,000,000.00</u> per accident; OR Combined single limit of \$2,000,000.00
Workers Compensation as required by laws of the State of Hawaii.	Insurance to include Employer's Liability. Both such coverages shall apply to all employees of the Contractor and (in case any sub-contractor fails to provide adequate similar protection for all his employees) to all employees of sub-contractors.

A certificate of insurance evidencing such insurance is required prior to commencement of services. The insurance policy required by this Contract shall contain the following clauses:

- (a) "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Hawaii Public Housing Authority (HPHA), Property Management and Maintenance Services Branch, 1002 N. School Street, Bldg E, Honolulu, Hawaii 96817."
- (b) "The State of Hawaii, the HPHA, its elected and appointed officials, officers, and employees are added as additional insured with respect to operations performed for the State of Hawaii and HPHA."
- (c) "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the Contract, including all Supplemental Contracts.

The Successful Bidder agrees to provide the HPHA, before the effective date of the Contract, certificate(s) of insurance necessary to satisfy that the insurance provisions of this Contract have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the HPHA during the entire term of this Contract. Upon request by the HPHA, the Successful Bidder shall furnish a copy of the policy or policies.

Failure of the Successful Bidder to provide and keep in force such insurance shall be regarded as material default under this Contract. The HPHA shall be entitled to exercise any or all of the remedies provided in this Contract for such default of the Successful Bidder.

The procuring of such required policy or policies of insurance shall not be construed to limit the Successful Bidder's liability hereunder or to fulfill the indemnification provisions and requirements of this Contract.

Notwithstanding said policy or policies of insurance, the Successful Bidder shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.

The insurer shall notify the HPHA in writing of any cancellation or change in provisions thirty calendar days prior to the effective date of such cancellation or change.

7. Interested bidders are advised that if awarded a Contract under this solicitation, the Successful Bidder shall, upon award of the Contract, furnish proof of compliance with the requirements of section 3-122-112, HAR:
 - Chapter 237, HRS, tax clearance;
 - Chapter 383, HRS, unemployment insurance;
 - Chapter 386, HRS, workers' compensation;
 - Chapter 392, HRS, temporary disability insurance;
 - Chapter 393, HRS, prepaid health care; and
 - One of the following:
 - i. The Successful Bidder shall be registered and incorporated or organized under the laws of the State (hereinafter referred to as a "Hawaii business"); or
Hawaii business. A business entity referred to as a "Hawaii business" is registered and incorporated or organized under the laws of the State of Hawaii. As evidence of compliance, successful Bidder shall submit a CERTIFICATE OF GOOD STANDING issued by the Department of Commerce and Consumer Affairs Business Registration Division (BREG). A Hawaii business that is a sole proprietorship, however, is not required to register with the BREG, and therefore not required to submit the certificate. A Successful Bidder's status as sole proprietor or other business entity and its business street address indicated on the Successful Bidder Form page 1 will be used to confirm that the Successful Bidder is a Hawaii business.
 - ii. The Successful Bidder shall be registered to do business in the State. (hereinafter referred to as a "compliant non-Hawaii business").
Compliant non-Hawaii business. A business entity referred to as a "compliant non-Hawaii business," is not incorporated or organized

under the laws of the State of Hawaii but is registered to do business in the State. As evidence of compliance, the Successful Bidder shall submit a *CERTIFICATE OF GOOD STANDING*.

The above certificates should be applied for and submitted to the HPHA as stated in this IFB. If a valid certificate is not submitted on a timely basis for award of a Contract, a bid otherwise responsive and responsible may not receive the award.

8. No performance or payment bond is required.
9. During the performance of this Contract, the Successful Bidder agrees not to discriminate against any employee or applicant for employment in compliance with State, Federal and local laws. Such actions shall include but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Successful Bidder shall insert similar provisions in all subcontracts.
10. The Successful Bidder shall have a permanent office on the island of Oahu from where it conducts business and where it will be accessible to telephone calls for complaints or requests that need immediate attention. An answering service is not acceptable. Permanent office location and phone number shall be stated on the interested bidder's bid.
11. The work performed under this Contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended 12 U.S.C. 1701u. The purpose of this Section 3 is to ensure that employment and other opportunities generated by HUD assistance covered by Section 3 shall be directed to low- and very low-income persons, particularly those who are recipients of HUD housing assistance.

The Successful Bidder must certify that they are under no contractual or other impediment that would prevent them from complying with part 135 regulations. The Successful Bidder must also certify that any vacant position that is filled after the Successful Bidder is selected, but before the Contract is executed was not filled to circumvent the Successful Bidder's obligations under 24 CFR part 135.

B. Single or multiple contracts to be awarded

☒ Single

☐ Multiple

☐ Single & Multiple

C. Single or multi-term contracts to be awarded

☒ Single term (≤ 2 yrs)

☐ Multi-term (> 2 yrs.)

Initial term of contract: 12 months

Length of each extension: Up to 12 months (may be less than 12 months when it is in the best interest of the State)

Maximum length of contract: 36 months

The initial period shall commence on the Contract start date. The following conditions must be met for an extension:

- The Contractor experienced cost savings and has unexpended funds available that can be used to provide additional services; or
- The HPHA determines there is an ongoing need for the services and has funds to extend services not to exceed a 12-month period. Contract extensions shall be awarded at the same or comparable rates as the Primary Contract. Exceptions shall be granted upon satisfactory justification such as increase in cost of services or cost of living increase as provided herein; and
- A Supplemental Contract must be executed prior to expiration of the Primary Contract; and
- The Contractor must obtain HPHA approval in writing and a notice to proceed with the extension; and
- The HPHA may be required to obtain HUD approval; and
- The necessary State and/or Federal funds are available and have been allotted for an extension; and
- The Contractor has a satisfactory track record of service performance.

The Primary Contract is being executed for a twelve (12) month period beginning August 1, 2010 and ending on July 31, 2011.

The option to extend the Contract will be at the sole discretion of the HPHA. The Contract may be extended, without the necessity of rebidding, at the same rates as proposed in the original bid unless price adjustments are made and approved as provided herein.

The Successful Bidder shall provide the requested insurance information and a completed wage certificate. The Successful Bidder shall pay the State of Hawaii general excise tax and all other applicable taxes.

D. Statutory Requirements of Section 103-55, HRS

Interested bidders shall complete and submit the attached wage certification by which the interested bidder certifies that the services required will be performed pursuant to section 103-55, HRS.

Interested bidders are advised that section 103-55, HRS, provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Interested bidders are further advised that in the event of an increase in wage rates to public employees performing similar work during the Contract period, the Contractor will be obligated to provide wages no less than those increased wages.

The HPHA has determined that work to be done under this Contract is similar to a Security Officer (BU 03/SR-13) at entry level. At the release of this IFB the current prevailing basic hourly wage is \$15.01 and only wages up to 7/1/08 are known.

E. Bid Price

The total bid price per hour shall be the all inclusive hourly cost to the HPHA (including all applicable taxes) for providing the services specified. The bid price per hour shall be applicable to security services provided during and after work hours. The HPHA is not responsible for and shall not pay overtime pay resulting from the Successful Bidder's scheduling of employees. Interested bidders should account for any published wage increases in their bid offer. The HPHA shall not approve requests for contract adjustments due to wage increase during the term of the Contract that are known. It is the sole responsibility of the Successful Bidder to comply with section 103-55, HRS.

The interested bidder's bid price shall include all administrative and personnel costs and any increase in costs for benefits required by law that are automatically increased as a result of increase wages, such as Federal old age benefits, workers' compensation, temporary disability insurance, unemployment insurance, and prepaid public health insurance.

The successful bid shall be determined on the total bid price for regular security officer hours, special event hours and administrative judicial hearing hours for the initial 12-month period ending July 31, 2011, option year one (1), and option year two (2).

F. Contract Price Adjustment Due to Increase in State Wages

At the release of this bid solicitation, the effective wages through July 1, 2008 for State employees performing similar work are known. If wages increase after the execution of the Contract, the Successful Bidder may request an increase in contract price in order to correspondingly increase the wages of Bidder's employees performing the work, including any increase in costs for benefits required by law that are automatically increased as a result of increased wages, such as federal old age benefits, workers' compensation, temporary disability insurance, unemployment insurance, and prepaid health insurance.

The Contractor shall not be paid for any reimbursement of retroactive pay negotiated by the State. The Successful Bidder's request for the increase must meet the following criteria:

1. At the time of bidding, if the Successful Bidder's hourly wage rate is greater than the prevailing State wage, the Successful Bidder's requests for increase will not be considered.
2. At the time of the request, the Successful Bidder must or must have provided documentation to show that it is in compliance with section 103-55, HRS, that its employees are being paid no less than the known wage of the State position listed herein. Documentation shall include the employees payroll records and a statement that the employees are being utilized for this Contract.
3. Request for an increase must be made in writing to the HPHA on a timely basis:
 - i. Request for increase for the initial Contract period must be made as soon as practicable after the State wage agreements are made public. Approved request will be retroactive to the date of increase for the State employees with adequate documentation that the Successful Bidder provided its employees a wage increase.
 - ii. Request for increase for an option period of the Contract must be made prior to the start of the option period. The Successful Bidder is to call the Contract Administrator listed in Section 1 of this Information For Bids to obtain the current wage information or download the information from the Department of Human Resource Development's website at the following address:

http://www.hawaii.gov/hrd/main/HRDInfoCentral/DocCentral/SalarySchedules/BU03_04

G. Price Adjustment by the State

The Successful Bidder shall agree to make changes to the security schedules, when requested by the HPHA, if there is a need for an increase/decrease in security that are due to circumstances that cannot be predicted at the time of this IFB. Changes to the security schedule may include an increase/decrease in the number of hours per day and/or an increase/decrease in the number of security personnel per day.

Special Events. The Successful Bidder agrees to make unscheduled changes to security schedules, when requested by the Officer-In-Charge for special events due to the need for increased security. Changes to the security schedule may include increased number of hours per day or number of security personnel on a special event basis. Special events include, but are not limited to, an increase in criminal activity, increase in gang activity, holidays such as Christmas Eve, Christmas Day, New Year's Eve, and New Year's Day.

The bid price per hour for special events shall not exceed the bid price per hour for regularly scheduled security services. At the time of this solicitation, the HPHA anticipates approximately 675 special events hours per period; up to 24 hours a day as requested by the Officer-In-Charge. The Officer-In-Charge shall coordinate the dates and times. The projected number of special event hours is estimated. This does not imply that the HPHA will utilize these definite amounts. The HPHA reserves the right to request/require additional hours at the same bid price. The HPHA reserves the right to request/require additional hours at the same bid price.

Charges for special event hours shall be submitted on a separate invoice and will be paid out through other means such as State purchase order.

Appearing at Administrative or Judicial Hearings. The Successful Bidder agrees that security personnel shall appear at administrative or judicial proceedings to provide testimony, when requested by the Officer-In-Charge. The bid price per hour for appearing for administrative or judicial hearings shall not exceed the bid price per hour for regularly scheduled security services. At the time of this solicitation, the HPHA anticipates approximately 100 hours per period. The projected number of administrative or judicial hearing hours is estimated. This does not mean to imply that the HPHA will utilize these definite amounts. The HPHA reserves the right to request/require additional hours at the same bid price.

Charges for administrative and/or judicial hearings hours shall be submitted on a separate invoice and will be paid out through other means such as State purchase order.

Emergency Calls. The Successful Bidder agrees to make unscheduled changes to security changes, when requested by the Officer-In-Charge in emergency situations. Changes to the security schedule increased number of hours per day or number of security personnel on an emergency basis.

The bid price per hour for emergency calls shall no exceed the bid price per hour for regularly scheduled security services at a rate higher than 1.5 times the regular rate. A bid offer for emergency hours that is submitted at higher than 1.5 times the regular rate shall be considered non-responsive. At the time of this solicitation, the HPHA anticipates approximately 100 emergency call hours per period. This does not imply that the HPHA will utilize this definite amounts.

Charges for emergency hours shall be submitted on a separate invoice and will be paid out through other means such as State purchase order.

III. Scope of Work

Work included in this Contract shall consist of furnishing and paying for labor,

equipment, supplies and all related administrative and personnel costs, as necessary, in PROVIDING SECURITY SERVICES AT PUUWAI MOMI UNDER ASSET MANAGEMENT PROJECT 30, in accordance with these provisions, the specifications, General Conditions, and Procedural Requirements, included and/or referenced in this Invitation For Bids dated June 16, 2010.

A. Service Activities (Minimum and/or mandatory tasks and responsibilities)

The Successful Bidder shall provide security personnel to conduct a roving patrol.

1. Security Services – Roving Foot Patrol

a. The Successful Bidder shall provide security officers to conduct a roving foot patrol. Services shall include:

i. Roving foot patrol tours seven (7) days a week including State holidays. The tentative work schedule shall be as follows:

Monday thru Thursday [two (2) security officers/shift]

3:00 p.m. to 11:00 p.m.	two (2) security officers at seven (7) hours each
10:00 p.m. to 5:00 a.m.	two (2) security officers at seven (7) hours each

Friday thru Sunday [two (2) security officers/shift]

5:00 p.m. to 12:00 a.m.	two (2) security officers at seven (7) hours each
10:00 p.m. to 5:00 a.m.	two (2) security officers at seven (7) hours each
8:00 p.m. to 3:00 a.m.	two (2) security officers at seven (7) hours each

State Holidays [three (3) security officers/shift]

5:00 p.m. to 12:00 a.m.	two (2) security officers at seven (7) hours each
10:00 p.m. to 5:00 a.m.	two (2) security officers at seven (7) hours each
8:00 p.m. to 3:00 a.m.	two (2) security officers at seven (7) hours each

ii. Conduct a minimum of seven (7) complete rounds of all residential buildings, AMP 30 Management Office, refuse areas and fire checks of all buildings and entire grounds per shift with at least one (1) round per shift following a pre-approved plan. Number of rounds will increase for shifts greater than seven (7) hours or as requested by the Officer-In-Charge. Unusual situations which would alter the round time shall be recorded in a log book. Any

incidents of damages shall be reported to the property management staff.

- iii. The Successful Bidder shall provide a Watchman Recording Device, Detex or equal and up to 24 check points which will control and monitor the rounds. The Successful Bidder shall be responsible for all costs and maintenance of the recording device. The HPHA reserves the right to change the locations or increase the number of check points due to unforeseen circumstances (e.g., emergency situations or crime hot spots).

2. The Successful Bidder shall also provide the following services and during any option period:

- a. Investigate all disturbances and incidents that were observed or reported. Endeavor to abate nuisances and disturbances when possible, using tact and judgment to prevent or minimize disorder, quell disturbances and maintain law and order. Investigation and follow up shall include, but are not limited to:
 - Be alert for suspicious persons and/or vehicles, vandalism to the HPHA property, buildings, and parking areas and resident's property.
 - Report all fires to the Honolulu Fire Department and site management.
 - Enforce project rules and regulations which include but are not limited to drinking alcoholic beverages in common areas, curfew, loitering, and disturbances.
 - Enforce traffic and speed limit signs.
 - Use tact and judgment to prevent disorder, quell disturbances and maintain law and order.
- b. Determine the need for and summon state/federal law enforcement when intervention or arrest is necessary. Cooperate with and assist the state/federal law enforcement if necessary and testify in court or administrative hearings when required.
- c. Monitor parked vehicles on the project premises and initiate action to tow vehicles from the project as stated in the post orders. Conduct visual inspection of parking areas for current parking decals and suspicious activities.
- d. The Successful Bidder may act on behalf of the Officer-In-Charge to issue a trespass warning, either verbally or in writing as instructed by the Officer-In-Charge, where deemed appropriate. The Successful Bidder shall cooperate with the Honolulu Police Department

pertaining to issuance and/or enforcement of trespass notices. The Officer-In-Charge shall provide guidelines to the Successful Bidder on issuance of trespass warnings.

- e. Maintain confidentiality of all documents viewed or information gathered during the performance of his/her duties, including discussing with the residents the details of incidents on property without the express consent of the Officer-In-Charge.
- f. Cooperate with local law enforcement on crime and drug prevention issues in and around surrounding project site.

3. Report Requirements

- a. Submit written reports of incidents and follow up action taken to the Officer-In-Charge or his/her designated representative.
- b. Prepare and submit incident reports to the HPHA, covering in detail all disturbances, incidents and violations of the HPHA or site rules and/ regulations that were observed or reported during each daily tour of duty or other appropriate reports as requested. Such reports shall contain all pertinent facts available and the names of all persons involved and unit numbers and shall be in a format to be specified by the HPHA. Copies of the incident reports shall be delivered by the next business day to the Office-In-Charge or his/her designated representative and Contract Administrator or his/her designated representative. If the next business day falls on a weekend, holiday or furlough day, the incident report shall be submitted by the next business day.
- c. Prepare and submit daily printout of Watchman Recording Device, Detex, or equal of check points on the first (1st) and fifteenth (15th) of each month basis to the Officer-In-Charge or his/her designated representative and the Contract Administrator or his/her designated representative. If the first (1st) or fifteenth (15th) of the month falls on a weekend, holiday or furlough day, the printout shall be submitted by the next business day. An electronic submission is acceptable in place of a written copy.
- d. Penalty: A one time penalty of \$1,000 or \$50 per day penalty, whichever is greater, may be assessed upon the Successful Bidder's failure to submit the written incident reports by 12:00 p.m. of the following business day and/or submission of the daily printout of the check points by 12:00 p.m. by the first (1st) and fifteenth (15th) of each month.

4. Equipment Requirements

- a. All Security Officers must be uniformed without sidearms but may be provided with crowd dispersing devices as necessary.
- b. Provide each Security Officer with a cellular phone or other appropriate means of communication, digital or Polaroid camera and supplies, and flashlight.
- c. The Successful Bidder will also provide the security supervisor/dispatcher with a cellular phone or other appropriate means of communication. Successful Bidder shall ensure that the tenants will have access to a direct line or other appropriate means to the Security Officers for emergencies. The Successful Bidder may post a central dispatch number for tenants to contact.
- d. The Successful Bidder will be responsible for all equipment costs and maintenance of the cellular phone and/or other appropriate means of communication.

5. Vehicle Requirements (if applicable)

- a. All vehicles may be subject to periodic inspection by the State. All vehicles must meet and comply with any and all applicable Rules and Regulations prescribed by the City & County of Honolulu, the State of Hawaii, and the U.S. Government.

Any vehicle failing to meet the safety standards or found to be mechanically unsafe shall be removed from service and repaired. Any refusal to correct or repair discrepancies shall result in termination of the contract.

6. Facilities

The HPHA shall provide restroom facilities within the Housing Complex to be served and may provide office space which will include electricity. The Successful Bidder shall be responsible for the daily upkeep of assigned space(s). The Successful Bidder shall also be responsible for any damage to the facilities caused by the Successful Bidder's personnel.

B. Management Requirements & Qualifications (Minimum requirements)

1. Personnel

- a. The Successful Bidder shall ensure that all personnel meet minimum qualifications, including licensing and have at least two (2) years relevant

experience in law enforcement and/or security.

- b. The Successful Bidder shall employ sufficient personnel at all times for performing the work in the manner and time required by these specifications and any subsequent post orders. The Successful Bidder shall maintain and implement a plan to ensure minimal disruption of services due to staff vacancies or changes.
- c. The Successful Bidder shall be solely responsible for the behavior and conduct of their employees or agents on the HPHA property and shall instruct Security Personnel to fully cooperate with the Officer-In-Charge. Security Personnel shall refrain from socializing or fraternizing with the residents of the sites while on-duty.
- d. Security Personnel shall not enter any occupied dwelling unit, except in the case of emergency or with the consent of the HPHA, the Officer-In-Charge or his/her designated representative.
- e. The Successful Bidder agrees to remove any of its employees from servicing or providing services to the HPHA, upon request in writing by the Officer-In-Charge. At the request of the HPHA, the Successful Bidder shall remove forthwith and shall not employ in any portion of the contracted work, any person who, in the opinion of HPHA, does not perform his/her duties and responsibilities in a proper and skillful manner or is intoxicated or disorderly or is abusive or unable to demonstrate tact and diplomacy in dealing with the public.
- f. The Successful Bidder agrees to relieve any Security Officer if arrested for any major crime or felony, pending final resolution of the investigation. The HPHA has final authority to allow the individual to perform security duties pending investigation, resolution or conviction. The resulting conviction will disqualify the individual from performing work in any capacity under this Contract.
- g. The Successful Bidder shall ensure that no Security Officer employed under this Contract has been convicted of selling, dealing, or using controlled substances such as crystal methamphetamine in or around any state or federal public housing under the jurisdiction of the HPHA.
- h. The Successful Bidder shall inform the Officer-In-Charge of all Security Officers employed under this Contract who is a registered sex offender.
- i. The Successful Bidder shall have a properly licensed manager to oversee the entire operation and to ensure that the services required are satisfactorily performed. All Security Officers shall be under the supervision of the Successful Bidder.

- j. Security personnel will refrain from having personal visitors and from socializing while on-duty. Unofficial telephone calls will be limited to emergencies.
- k. The Successful Bidder shall ensure that all information, documents, or materials viewed, discussed or provided to security personnel in the line of duty shall be treated as confidential. Security personnel shall refrain from providing confidential information to the tenants and the general public without express consent of the HPHA.
- l. The Successful Bidder shall select only those individuals capable of demonstrating the following:
 - i. Ability to exercise good judgment;
 - ii. Maturity in conduct and attitude;
 - iii. Ability to communicate in English and read simple instructions; and
 - iv. Courteous to members of the public and HPHA employees, as well as tolerant in their interactions with others, well groomed and neat in appearance.
- m. Each Security Officer must maintain a satisfactory level of drug-free general health at all times to work under this contract. The following are the minimum physical requirements:
 - i. Security Officers must be able to hear at normal conversational level. A hearing aid may be used to meet this requirement.
 - ii. Security Officers must be physically able to serve a normal shift walking, standing, manning posts, using stairs or elevators, and operating motor vehicles (if required).
 - iii. Correctable vision to 20/30 each eye.
- n. During the performance of this Contract, the Successful Bidder agrees not to discriminate against any employee or applicant for employment because of sex, race, creed, color, or national origin.

The Successful Bidder will take affirmative action to insure that applicants are employed, and that employees are treated during employment without regard to sex, race, creed, color, or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Successful Bidder shall insert provisions similar to the foregoing in all subcontracts.

2. Administrative

- a. The Successful Bidder may be required to attend, at a minimum, quarterly meetings with the Officer-In-Charge. The day and time to be specified by the Officer-in-Charge. Field visits will be made, if necessary.
- b. Every month the Officer-In-Charge and/or Contract Administrator will submit a report to the Successful Bidder listing any discrepancies or contract violation(s) which need correction. These discrepancies or contract violation(s) must be corrected by the next reporting period for payment adjustment purposes.

3. Payment

- a. Section 103-10, HRS provides that the HPHA shall have thirty calendar days after receipt of invoice or satisfactory delivery of goods or performance of the services to make payment. For this reason, the HPHA will reject any bid submitted with a condition requiring payment within a shorter period. Further, the HPHA will reject any bid submitted with a condition requiring interest payments greater than that allowed by Section 103-10, HRS as amended.
- b. The Successful Bidder shall submit a monthly invoice, one original, for services rendered to:

Hawaii Public Housing Authority
Attn: Property Mgmt. and Maint. Svcs. Branch
1002 N. School Street
Honolulu, HI 96817

The aging date of the invoice shall be the latter of the two: 1) date of invoice or 2) postmark of original invoice received via USPS or other method of delivery.

- c. All invoices shall reference the contract number assigned to the contract. Payment shall be in accordance with Section 103-10, HRS, upon certification by the Officer-In-Charge or designee that the Successful Bidder has satisfactorily performed the services specified.

Payment shall be made on the basis of actual man-hours performed by the Successful Bidder. The Successful Bidder shall submit monthly invoices for payment, listing dates and man-hours of security services rendered for the previous month. All charges for additional work, if any, shall be described, and the charges shall be computed at the contracted rate per hour on a separate invoice. The Successful Bidder shall clearly indicate

any adjustments made to the billing statement for work not performed (e.g., guard fails to report for duty or reports late).

- d. The Successful Bidder shall submit invoices for payment no earlier than the first of each month, listing dates, security officer names and man-hours of guard services rendered for the previous month.
- e. For final payment, the Successful Bidder must submit a valid original tax clearance certificate "Certification of Compliance for Final Payment" (SPO Form-22). A copy of the Form is available at www.spo.hawaii.gov. Select "forms for Vendors/Contractors" from the Chapter 103D, HRS.

The Successful Bidder is required to submit a tax clearance certificate for final payment on the Contract. A tax clearance certificate, not over two (2) months old, with an original green certified copy stamp, must accompany the invoice for final payment on the Contract.

IV. Performance Monitoring & Remedies

A. Monitoring

1. The performance of work shall be monitored by the Officer-In-Charge and Contract Administrator. Performance will be monitored on an ongoing basis by the HPHA through desk monitoring, site inspection and/or other methods.
2. Should the Successful Bidder fail to comply with the requirements of the Contract, the HPHA reserves the right to engage the services of another company to perform the services, to remedy the defect or failure and to deduct such costs from monies due to the Contractor or to assess the Contractor directly.
3. In the event the Successful Bidder fails, refuses, or neglects to perform the services in accordance with the requirements of this Invitation for Bids, and the resulting Contract, the HPHA reserves the right to purchase in the open market, a corresponding quantity of services, and to deduct from Contractor this cost and from any moneys due or that may thereafter become due the Contractor (the cost to the HPHA of procuring such services). In case money due to the Contractor is insufficient for the purpose, the Contractor shall pay the difference upon demand by the HPHA. The HPHA may also utilize all other remedies provided under the contract and by law and rules.
4. Failure or refusal of the Contractor to perform services as required may be ground to suspend or terminate the Contract as detailed in the General Conditions.

B. Damages

1. Liquidated damages is fixed at the sum of FIFTY DOLLARS (\$50.00) for each calendar day that the Contractor fails to perform in whole or in part any of its obligations in accordance with the terms of paragraph 9 of the General Conditions. Liquidated damages may be deducted from any payments due or to become due to the Successful Bidder.
2. The Successful Bidder shall repair all damages caused by the Successful Bidder's equipment or employees to existing utilities and structures, such as water lines, electric conduits, sewer lines, buildings, and plantings. If such repairs are not completed within a reasonable time, the HPHA reserves the right to purchase services for the necessary repairs from the open market and to deduct all repairs costs from moneys due or may thereafter become due to the Successful Bidder. In the event money due the Successful Bidder is insufficient for the purpose, the Successful Bidder shall pay the difference upon demand by the HPHA.

C. Termination

The HPHA reserves the right to terminate any agreement without penalty for cause or convenience as provided in the general conditions.

(END OF SECTION)

Section 3

Forms and Instructions

Section 3

Forms and Instructions

General Instructions for Completing Forms

- *Bid offers shall be submitted to the HPHA in the prescribed format outlined in this IFB*
- *No supplemental literature, brochures or other unsolicited information should be included in the bid packet.*
- *A written response is required for each item unless indicated otherwise.*
- *Bid documents, and all certifications should be completed with black ink.*

I. Bid Offer Form

The bid offer form must be completed and submitted to the HPHA by the required due date and time, and in the form prescribed by the HPHA. See Attachment 2. **Electronic mail and facsimile transmissions shall not be accepted.**

Interested bidders shall submit their bid under the interested bidder's exact legal name that is registered with the Department of Commerce and Consumer Affairs and shall indicate this exact legal name in the appropriate space on page 1 of the bid form. Failure to do so may delay proper execution of the Contract.

Interested bidders are required to submit the following certifications with the Bid Offer Form. In lieu of Items b, c, d, below, interested bidder may also submit an original CERTIFICATE OF VENDOR COMPLIANCE as issued by the State Procurement Office via the online system, "Hawaii Compliance Express". Details regarding this online application process can be viewed at <http://vendors.ehawaii.gov/hce/>.

1. Wage Certification;
2. Department of Labor and Industrial Relations, Certificate of Compliance with Section 3-122-112, HAR, Form LIR#27;
3. Department of Commerce and Consumer Affairs, Certificate of Good Standing; and
4. Corporate resolution.

Interested bidders shall certify its ability to provide security services on August 1, 2010 or upon execution of the Contract agreement by both parties. The HPHA reserves the right to apply liquidated damages as set forth in Section 2, Paragraph IV for the delay in Contract execution on the part of the Contractor.

The interested bidder's authorized signature shall be an original signature in ink. If the Bid Form on page 1 is unsigned or the affixed signature is a facsimile or a photocopy, the bid shall be automatically rejected.

Interested bidder shall provide the requested insurance information and a completed wage

certificate. The Successful Bidder shall pay the State of Hawaii general excise tax and all other applicable taxes.

A bid security deposit is not required for this IFB. Security costs shall indicate costs for security, including personnel costs, including benefits and necessary insurance and administrative costs, including supervisor salaries.

The successful bid shall be determined by the total bid price for regular security officer hours, special event security hours and administrative/judicial hearing security officer hours for the twelve (12) month period ending July 31, 2011, option year one (1) and option year two (2).

The option to extend the Contract will be at the sole discretion of the HPHA and determined to be in the best interests of the State. The Contract shall be extended at the same rates as proposed in the original bid unless price adjustments are provided herein.

II. General Conditions

The State of Hawaii's General Conditions of the Contract are attached for the interested bidder's review and information. See Attachment 10. The general conditions shall be incorporated into the Contract with the Successful Bidder.

(END OF SECTION)

Section 4
Bid Evaluation & Award

Section 4

Bid Evaluation & Award

I. Bid Evaluation

Each bid offer will be reviewed for exact conformity of the requirements in the IFB, known as a responsible bid. Information provided in/with the bid offer will be used to determine whether the interested bidder has the technical and financial capacity to deliver the goods or services, known as a responsive bid.

II. Method of Award

An award shall be made to the lowest responsible and responsive bidder's grand total base bid price that includes the price for the initial 12-month period, option year one (1), and option year two. To be considered a responsive bid and eligible for an award, the interested bidder must bid on the initial contract period and the two (2) 12-month option periods.

The option to extend the Contract will be at the sole discretion of the HPHA. Nothing in this IFB shall be construed or interpreted to mean that the HPHA is obligated to exercise its 12-month option period. The Contract may be extended, without the necessity of rebidding, at the same rates as proposed in the original bid, unless price adjustments are made and conditions are met as described in Section 2 Specification of this IFB.

Pursuant to Chapter 3-122-35, HAR, in the event there are no responsive and responsible bids an alternative procurement method may be used by the HPHA. The HPHA may conduct a resolicitation or an alternative procurement method.

The low bid must conform to all requirements of the IFB in order to be determined responsive.

Section 5

Attachments

- | | |
|---|--------------------------|
| 1. Wage Certificate | Due July 8, 2010 |
| 2. Bid Offer Form | Due July 8, 2010 |
| 3. Site Maps | For Bidder's information |
| 4. Sample Contract Based on Competitive Sealed Bid for Goods and Services (11/05) | For Bidder's information |
| 5. Sample Contract – Attachment S1, Scope of Services | For Bidder's information |
| 6. Sample Contract – Attachment S2, Compensation and Payment Schedule | For Bidder's information |
| 7. Sample Contract – Attachment S3, Time of Performance | For Bidder's information |
| 8. Sample Contract – Attachment S4, Certificate of Exemption from Civil Service | For Bidder's information |
| 9. Sample Contract – Attachment S5, Special Conditions | For Bidder's information |
| 10. General Conditions, AG-008 Rev. 4/15/2009 | For Bidder's information |
| 11. Salary Schedule | For Bidder's information |
| 12. Sample HPHA Rental Agreement | For Bidder's information |
| 13. 2009/2010 Hawaii State Holidays | For Bidder's information |

WAGE CERTIFICATE

SUBJECT: BID NO.: IFB PMB-2010-13

DESCRIPTION OF PROJECT

**FURNISHING SECURITY SERVICES AT PUUWAI MOMI UNDER
ASSET MANAGEMENT PROJECT 30 ON THE ISLAND OF OAHU.**

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS.), I hereby certify that if awarded the contract is in excess of \$25,000.00 the services will be performed under the following conditions:

1. The services shall be performed by employees at wages or salaries not less than wages or salaries paid to public officers and employees doing similar work.

2. All applicable laws of the Federal and State governments relating to worker's compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

I understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wages required by section 103-55, HRS.

BIDDER: _____

BY: _____
Signature of Person Authorized to Sign this Bid.

Please Print

NAME: _____

TITLE: _____

DATE: _____

IFB-PMB-2010-13

SEALED BID OFFER

Hawaii Public Housing Authority
Contract & Procurement Office
1002 North School Street, Bldg. D
Honolulu, HI 96817

Dear Sir/Madam:

The undersigned has carefully read and understands the terms and conditions specified in the Invitation for Bid, Specifications and the General Conditions by reference made a part of this Bid and hereby submits the following offer to perform the work specified.

That the undersigned further understands and agrees that by submitting this Sealed Bid, 1) it is declaring its Bid is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) it is certifying that the price(s) submitted was (were) independently arrived at without.

Date: _____

Respectfully Submitted,

Telephone No.: _____

Legal Name of Offeror

Fax No.: _____

Payment address, if other than street
address at right:

Authorized Signature (Original)

Hawaii General Excise Tax Lic. I.D. No.:

Title

Social Security or Federal I.D. No.:

Street Address

City, State, Zip Code

Guard Agency License #: _____

Offeror is: ☐ Individual ☐ Partnership ☐ Corporation ☐ Joint Venture

State of Incorporation: ☐ Hawaii *☐ Other _____

*If "other", is corporate seal available in Hawaii? ☐ Yes ☐ No

Due Date: July 8, 2010, 10:00 a.m. HST

Bidder shall list below business firms and/or government agencies to which he has provided security services similar or identical to those required by the IFB.

	<u>Firm or Agency</u>	<u>Contact Person</u>	<u>Telephone No.</u>
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

Bidder's Office

Address: _____

Name of Person to Contract: _____

Telephone Number: _____

Fax Number: _____

Insurance coverage to be provided by:

Commercial General Liability: _____

Name of Agent: _____

Telephone Number: _____

Workers Comp: _____

Automobile Insurance: _____

Signature of Offeror _____

The low bid shall be determined based on the TOTAL bid price for the regular security offer schedule in item #1 and security officer hours for appearing at administrative and/or judicial hearings in item #2. Emergency hours shall not be used to determine the low bid, but must conform with all requirements of the IFB in order to be determined responsive.



SITE PLAN

Puuwai Momi

LEGEND

Location and Mailing Address: 99-132

Kohomua Street, Aiea, Oahu

DEPT OF HOUSING & URBAN
DEVELOPMENT - HOUSING
ASSISTANCE ADMINISTRATION

ACCOMPANYING PROJECT
PHOTO NOS.

_____	_____
_____	_____
_____	_____

DATED:

HAWAII HOUSING AUTHORITY

SITE PLAN DIAGRAM

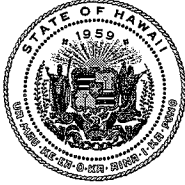
PROJECT HA 1-26

HALAWA OAHU HAWAII

ASSOCIATED ARCHITECTS HALAWA
AKIYAMA/KEKOOLANI & ASSOCIATES
AOTANI & OKA, ARCHITECTS INC

PLAN NO. 979 DATE: JUNE 1968

T.M.K.: 9-9-03:56&64



STATE OF HAWAII
CONTRACT FOR GOODS OR SERVICES
BASED UPON
COMPETITIVE SEALED BIDS

This Contract, executed on the respective dates indicated below, is effective as of
August 1, 2010, between Hawaii Public Housing Authority,
(Insert name of state department, agency, board or commission)
 State of Hawaii ("STATE"), by its Executive Assistant,
(Insert title of person signing for State)
 (hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")),
 whose address is 1002 North School Street, Honolulu, Hawaii 96817
and tbd
 ("CONTRACTOR"), a tbd
(Insert corporation, partnership, joint venture, sole proprietorship, or other legal form of the Contractor)
 under the laws of the State of tbd, whose business address and federal
 and state taxpayer identification numbers are as follows: tbd

RECITALS

- A. The STATE desires to retain and engage the CONTRACTOR to provide the goods or services, or both, described in this Contract and its attachments, and the CONTRACTOR is agreeable to providing said goods or services, or both.
- B. The STATE has issued an invitation for competitive sealed bids, and has received and reviewed bids submitted in response to the invitation.
- C. The solicitation for bids and the selection of the CONTRACTOR were made in accordance with section 103D-302, Hawaii Revised Statutes ("HRS"), Hawaii Administrative Rules, Title 3, Department of Accounting and General Services, Subtitle 11 ("HAR"), Chapter 122, Subchapter 5, and applicable procedures established by the appropriate Chief Procurement Officer ("CPO").
- D. The CONTRACTOR has been identified as the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation.
- E. Pursuant to Section 356D-4, Hawaii Revised Statutes, the STATE
(Legal authority to enter into this Contract)
 is authorized to enter into this Contract.
- F. Money is available to fund this Contract pursuant to:
- (1) SF 181
(Identify state sources)
- or (2) n/a
(Identify federal sources)
- or both, in the following amounts: State \$ t.00
 Federal \$ 0.00

NOW, THEREFORE, in consideration of the promises contained in this Contract, the STATE and the CONTRACTOR agree as follows:

1. Scope of Services. The CONTRACTOR shall, in a proper and satisfactory manner as determined by the STATE, provide all the goods or services, or both, set forth in the Invitation for Bids number PMB-2010-13 ("IFB") and the CONTRACTOR'S accepted bid ("Bid"), both of which, even if not physically attached to this Contract, are made a part of this Contract.
2. Compensation. The CONTRACTOR shall be compensated for goods supplied or services performed, or both, under this Contract in a total amount not to exceed

tbd _____ DOLLARS
(\$ tbd _____), including approved costs incurred and taxes, at the time and in the manner set forth in the IFB and CONTRACTOR'S Bid.

3. Time of Performance. The services or goods required of the CONTRACTOR under this Contract shall be performed and completed in accordance with the Time of Performance set forth in Attachment-S3, which is made a part of this Contract.

4. Bonds. The CONTRACTOR ☐ is required to provide or ☒ is not required to provide: ☐ a performance bond, ☐ a payment bond, ☐ a performance and payment bond in the amount of _____ n/a _____ DOLLARS (\$ n/a _____).

5. Standards of Conduct Declaration. The Standards of Conduct Declaration of the CONTRACTOR is attached to and made a part of this Contract.

6. Other Terms and Conditions. The General Conditions and any Special Conditions are attached to and made a part of this Contract. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control. In the event of a conflict among the documents, the order of precedence shall be as follows: (1) this Contract, including all attachments and addenda; (2) the IFB, including all attachments and addenda; and (3) the CONTRACTOR'S Bid.

7. Liquidated Damages. Liquidated damages shall be assessed in the amount of _____ Fifty and No/100----- DOLLARS
(\$ 50.00 _____) per day, in accordance with the terms of paragraph 9 of the General Conditions.

8. Notices. Any written notice required to be given by a party to this Contract shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice to the STATE shall be sent to the HOPA'S address indicated in the Contract. Notice to the CONTRACTOR shall be sent to the CONTRACTOR'S address indicated in the Contract. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The CONTRACTOR is responsible for notifying the STATE in writing of any change of address.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

STATE

(Signature)

Barbara E. Arashiro

(Print Name)

Executive Assistant

(Print Title)

(Date)

CONTRACTOR

CORPORATE SEAL

(If available)

(Name of Contractor)

(Signature)

(Print Name)

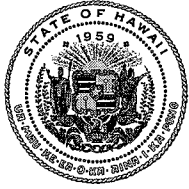
(Print Title)

(Date)

APPROVED AS TO FORM:

Deputy Attorney General

* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF _____)
) SS.
_____ COUNTY OF _____)

On this _____ day of _____, _____ before me appeared
_____ and _____, to me
known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are
_____ and _____ of
_____, the
CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said
instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said
instrument as the free act and deed of the CONTRACTOR.

(Notary Stamp or Seal)

(Signature)

(Print Name)

Notary Public, State of _____

My commission expires: _____

Doc. Date: _____ # Pages: _____

Notary Name: _____ Circuit _____

Doc. Description: _____

(Notary Stamp or Seal)

Notary Signature

Date

NOTARY CERTIFICATION



STATE OF HAWAII

CONTRACTOR'S

STANDARDS OF CONDUCT DECLARATION

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of _____, CONTRACTOR, the undersigned does declare as follows:

1. CONTRACTOR ☐ is* ☐ is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).
2. CONTRACTOR has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Contract within the preceding two years and who participated while so employed in the matter with which the Contract is directly concerned. (Section 84-15(b), HRS).
3. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Contract and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Contract, if the legislator or employee had been involved in the development or award of the Contract. (Section 84-14 (d), HRS).
4. CONTRACTOR has not been represented on matters related to this Contract, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Contract. (Sections 84-18(b) and (c), HRS).

CONTRACTOR understands that the Contract to which this document is attached is voidable on behalf of the STATE if this Contract was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

* Reminder to Agency: If the "is" block is checked and if the Contract involves goods or services of a value in excess of \$10,000, the Contract must be awarded by competitive sealed bidding under section 103D-302, HRS, or a competitive sealed proposal under section 103D-303, HRS. Otherwise, the Agency may not award the Contract unless it posts a notice of its intent to award it and files a copy of the notice with the State Ethics Commission. (Section 84-15(a), HRS).

CONTRACTOR

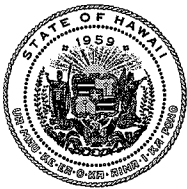
By _____
(Signature)

Print Name _____

Print Title _____

Name of Contractor _____

Date _____



STATE OF HAWAII

SCOPE OF SERVICES

Contractor:

Complex: Puuwai Momi (1026) 99-132 Kohomua Street, Aiea, Hawaii 96701

1. It is understood and agreed that the following documents, and any amendments or addenda thereto, comprise the Contract between the parties and are fully a part of this Contract governing the work to be performed by the CONTRACTOR for Security Services: (1) CONTRACTOR's accepted bid dated July 8, 2010; (2) Invitation for Bids No. PMB 2010-13 and all addendums; (3) State General Conditions (AG-008 Rev. 4/15/2009); (4) Special Conditions (AG-015 Rev. 11/15/2005); and (5) this Contract, Attachments S1, S2, S3, S4 and S5. These documents are collectively referred to as the "Contract Documents".
2. The CONTRACTOR shall furnish security services at the complex listed below:
 - Puuwai Momi, 99-132 Kohomua Street, Aiea, Hawaii 96701
3. The CONTRACTOR shall provide the following security personnel:
 - a. Roving Foot Patrol
 - i. Roving foot patrol tours seven (7) days a week including State holidays. The tentative work schedule shall be as follows:

<u>Monday thru Thursday [two (2) security officers/shift]</u>	
3:00 p.m. to 11:00 p.m.	two (2) security officers at seven (7) hours each
10:00 p.m. to 5:00 a.m.	two (2) security officers at seven (7) hours each
<u>Friday thru Sunday [two (2) security officers/shift]</u>	
5:00 p.m. to 12:00 a.m.	two (2) security officers at seven (7) hours each
10:00 p.m. to 5:00 a.m.	two (2) security officers at seven (7) hours each
8:00 p.m. to 3:00 a.m.	two (2) security officers at seven (7) hours each
<u>State Holidays [three (3) security officers/shift]</u>	
5:00 p.m. to 12:00 a.m.	two (2) security officers at seven (7) hours each
10:00 p.m. to 5:00 a.m.	two (2) security officers at seven (7) hours each
8:00 p.m. to 3:00 a.m.	two (2) security officers at seven (7) hours each



STATE OF HAWAII

SCOPE OF SERVICES

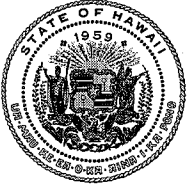
- ii. Conduct a minimum of seven (7) complete rounds of all residential buildings, AMP 30 Management Office, refuse areas and fire checks of all buildings and entire grounds per shift with at least one (1) round per shift following a pre-approved plan. Number of rounds will increase for shifts greater than seven (7) hours or as requested by the Officer-In-Charge. Unusual situations which would alter the round time shall be recorded in a log book. Any incidents of damages shall be reported to the property management staff.
- iii. The CONTRACTOR shall provide a Watchman Recording Device, Detex or equal and up to 24 check points which will control and monitor the rounds. The CONTRACTOR shall be responsible for all costs and maintenance of the recording device. The STATE reserves the right to change the locations or increase the number of check points due to unforeseen circumstances (e.g., emergency situations or crime hot spots).

4. The CONTRACTOR shall also provide the following services at all sites:

- a. Investigate all disturbances and incidents that were observed or reported. Endeavor to abate nuisances and disturbances when possible, using tact and judgment to prevent or minimize disorder, quell disturbances and maintain law and order.

Investigation and follow up shall include, but are not limited to:

- Be alert for suspicious persons and/or vehicles, vandalism to the STATE property, building, parking areas and resident's property.
 - Report all fires to the Honolulu Fire Department and site management.
 - Enforce project rules and regulations which include but are not limited to drinking alcoholic beverages in common areas, curfew, loitering, and disturbances.
 - Enforce traffic and speed limit signs.
 - Use tact and judgment to prevent disorder, quell disturbances and maintain law and order.
- b. Determine the need for and summon the police when intervention or arrest is necessary. Cooperate and assist the police if necessary and testify in court or administrative hearings when required.
 - c. Monitor parked vehicles on the complex premises and initiate action to tow vehicles from the project as stated in the post orders. Conduct visual inspection of parking areas for current parking decals and suspicious activities. The CONTRACTOR shall be responsible to reimburse the HPHA for any towing charges that are incorrectly assessed due to the fault of the CONTRACTOR.



STATE OF HAWAII

SCOPE OF SERVICES

- d. The CONTRACTOR may act on behalf of the Officer-In-Charge to issue a trespass warning, either verbally or in writing as instructed by the Officer-In-Charge, where deemed appropriate. The CONTRACTOR shall cooperate with the Honolulu Police Department pertaining to issuance and/or enforcement of trespass notices. The Officer-In-Charge shall provide guidelines to the CONTRACTOR on issuance of trespass warnings.
- e. Maintain confidentiality of all documents viewed or information gathered during the performance of his/her duties, including discussing with the residents the details of incidents on property without the express consent of the Officer-In-Charge.
- f. Cooperate with local law enforcement on crime and drug prevention issues in and around surrounding complex site.
- g. Special Events:

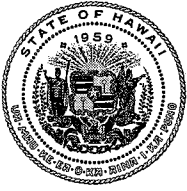
The CONTRACTOR agrees to make unscheduled changes to security schedules, when requested by the Officer-In-Charge for special events due to the need for increase security. Changes to the security schedule may include increased number of hours per day or number of security personnel on a special event basis. Special Events include but are not limited to an increase in criminal activity, an increase in gang activity, holidays such as Christmas Eve, Christmas Day, New Year's Eve, New Year's Day.

At the time of this Contract, the STATE can only approximate special events hours per year; up to 24 hours a day as requested by the Officer-In-Charge. The Officer-In-Charge shall coordinate the dates and times. The projected number of special event hours listed in the CONTRACTOR's bid form are estimates and does not mean to imply that the STATE will utilize these definite amounts.

- h. Emergency Calls:

The CONTRACTOR agrees to make unscheduled changes to security schedules, when requested by the Officer-In-Charge in emergency situations or if the Officer-In-

Charge anticipates the need for increased security that are due to circumstances that cannot be predicted at the time of this CONTRACT. Changes to the security schedule may include increased number of hours per day or number of security personnel on an emergency basis.



STATE OF HAWAII

SCOPE OF SERVICES

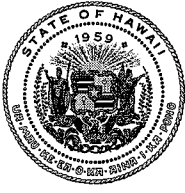
At the time of this Contract, the STATE can only approximate the number of emergency call hours per year as listed in the CONTRACTOR's bid form. The projected number of emergency call hours are estimates and does not mean to imply that the STATE will utilize these definite amounts.

5. Report Requirements

- a. Submit written reports of incidents and follow up action taken to the Officer-In-Charge or his/her designated representative.
- b. Prepare and submit incident reports to STATE, covering in detail all disturbances, incidents and violations of STATE or project regulations that were observed or reported during each daily tour of duty or other appropriate reports as requested. Such reports shall contain all pertinent facts available and the names of all persons involved and unit numbers and shall be in a format to be specified by STATE. Copies of the incident report shall be delivered daily to the Office-In-Charge or his/her designated representative.
- c. Prepare and submit daily printout of Watchman Recording Device, Detex or equal of checkpoints on a bi-weekly basis to the Contract Administrator.

6. Equipment Requirements

- a. All Security Officers must be uniformed without sidearms but may be provided with crowd dispersing devices as necessary.
- b. The CONTRACTOR shall provide each Security Officer with a cellular phone or other appropriate means of communication and appropriate gear for inclement weather.
- c. The CONTRACTOR shall provide the security supervisor/dispatcher with a cellular phone or other appropriate means of communication. Successful Bidder shall ensure that the tenants will have access to a direct line or other appropriate means to the Security Officers for emergencies. The CONTRACTOR may post a central dispatch number for tenants to Contact.
- d. The CONTRACTOR shall be responsible for all equipment costs and maintenance of the cellular phone and/or other appropriate means of communication.



STATE OF HAWAII

SCOPE OF SERVICES

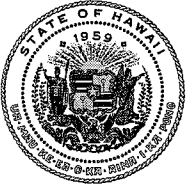
7. Facilities

The STATE shall provide restroom facilities, where possible, within the complex to be served and may provide office space which will include electricity. The CONTRACTOR shall be responsible for the daily upkeep of assigned space(s). The CONTRACTOR shall also be responsible for any damage to the facilities caused by the CONTRACTOR's personnel.

8. Management Requirements & Qualifications (Minimum requirements)

a. Personnel

- i. The CONTRACTOR shall ensure that all personnel meet minimum qualifications, including licensing and have at least two (2) years relevant experience in law enforcement and/or security.
- ii. The CONTRACTOR shall employ sufficient personnel at all times for performing the work in the manner and time required by these specifications and any subsequent post orders. The CONTRACTOR shall maintain and implement a plan to ensure minimal disruption of services due to staff vacancies or changes.
- iii. The CONTRACTOR shall be solely responsible for the behavior and conduct of their employees or agents on STATE property and shall instruct security personnel to fully cooperate with the Officer-In-Charge. Security Personnel shall refrain from socializing or fraternizing with the residents of the sites while on-duty.
- iv. The CONTRACTOR agrees that security personnel shall not enter any occupied dwelling unit, except in the case of emergency or with the consent of the STATE, the Officer-In-Charge or his/her designated representative.
- v. The CONTRACTOR agrees to remove any of its employees from servicing or providing services to the STATE, upon request in writing by the Officer-In-Charge. At the request of the STATE, the CONTRACTOR shall remove forthwith and shall not employ in any portion of the work, any person who, in the opinion of the STATE, does not perform his/her duties and responsibilities in a proper and skillful manner or is intoxicated or disorderly or is abusive or unable to demonstrate tact and diplomacy in dealing with the public.
- vi. The CONTRACTOR agrees to rotate its security personnel among the various sites so that a different security team may be assigned to the sites from time to time to avoid potential collaboration between the security officers and residents, and to avoid any issues which may arise as a result.



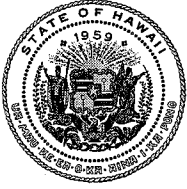
STATE OF HAWAII

SCOPE OF SERVICES

- vii. The CONTRACTOR agrees to relieve any security officer if arrested for any major crime or felony, pending final resolution of the investigation. The STATE has final authority to allow the individual to perform security duties pending investigation, resolution or conviction. The resulting conviction will disqualify the individual from performing work in any capacity under this Contract.
- viii. The CONTRACTOR shall ensure that no security officer employed under this Contract has been convicted of selling, dealing, or using controlled substances such as crystal methamphetamine in or around any state or federal public housing under the jurisdiction of STATE.
- ix. The CONTRACTOR shall inform the Officer-In-Charge of all security officers employed under this Contract who is a registered sex offender.
- x. The CONTRACTOR shall have a properly licensed manager to oversee the entire operation and to ensure that the services required are satisfactorily performed. All security officers shall be under the supervision of the CONTRACTOR.
- xi. Security personnel will refrain from having personal visitors and from socializing while on-duty. Unofficial telephone calls will be limited to emergencies.
- xii. The CONTRACTOR shall ensure that all information, documents, or materials viewed, discussed or provided to security personnel in the line of duty shall be treated as confidential. Security personnel shall refrain from providing confidential information to the tenants and the general public without express consent of the STATE.
- xiii. The CONTRACTOR shall select only those individuals capable of demonstrating the following:
 - Ability to exercise good judgment;
 - Maturity in conduct and attitude;
 - Ability to communicate in english and read simple instructions; and
 - Courteous to members of the public and STATE employees, as well as tolerant in their interactions with others, well groomed and neat in appearance.

Each security officer must maintain a satisfactory level of drug-free general health at all times to work under this contract. The following are the minimum physical requirements:

- Security officers must be able to hear at normal conversational level. A hearing aid may be used to meet this requirement.



STATE OF HAWAII

SCOPE OF SERVICES

- Security officers must be physically able to serve a normal shift walking, standing, manning posts, using stairs or elevators, and operating motor vehicles (if required).
 - Correctable vision to 20/30 each eye.
- xiv. During the performance of this Contract, the CONTRACTOR agrees not to discriminate against any employee or applicant for employment because of sex, race, creed, color, or national origin.

The CONTRACTOR will take affirmative action to insure that applicants are employed, and that employees are treated during employment without regard to sex, race, creed, color, or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR shall insert provisions similar to the foregoing in all subcontracts.

- xv. The CONTRACTOR agrees to require the relocation of security personnel from one site to another site as listed above.
- xvi. The CONTRACTOR understands and agrees that the STATE may require reduction or replacement of any number of contracted security personnel at any site listed above in conjunction with the use of law enforcement personnel.

2. Administrative

- a. The CONTRACTOR shall be required to attend quarterly meetings with the Officer-In-Charge. The day and time to be specified by the Officer-in-Charge. Field visits will be made, if necessary.
- b. Every month the Officer-In-Charge and/or Contract Administrator will submit a report to the CONTRACTOR listing any discrepancies or contract violation(s) which need correction. These discrepancies or contract violation(s) must be corrected by the next reporting period for payment adjustment purposes.



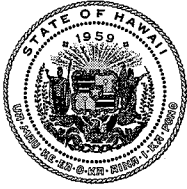
STATE OF HAWAII
COMPENSATION AND PAYMENT SCHEDULE

Contractor:

Complex: Puuwai Momi (1026) 99-132 Kohomua Street, Aiea, Hawaii 96701

1. Subject to the availability and receipt of State funds the STATE agrees to pay the CONTRACTOR for services satisfactorily performed under this Contract a sum of money not to exceed _____ and xx/100 Dollars (\$ _____). See Exhibit A.
2. State funds are subject to appropriation by the State's Director of Finance and allocation by the Governor and/or State Legislature. Funding and period of availability may change upon notice by the STATE. If there should be insufficient state funds for any portion of the remainder of the Contract period ending July 31, 2011 the STATE may terminate without penalty, the Contract or revise the amount/quantity of services required.
3. Upon execution of this Contract, payments shall be paid in accordance with and subject to the following:
 - a. The CONTRACTOR shall submit an invoice, one original and two (2) copies, every two (2) weeks for services rendered to:

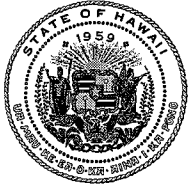
Hawaii Public Housing Authority
Attn: Property Mgmt. and Maint. Svcs. Branch
1002 N. School Street
P.O. Box 17907
Honolulu, HI 96817
 - b. Section 103-10, HRS, provides that the STATE shall have thirty calendar days after receipt of invoice or satisfactory delivery of goods or performance of the services to make payment. The date of the invoice shall be the latter of the two: 1) date of invoice or 2) postmark of original invoice received by the STATE via United States Postal Service or other method of delivery.
 - c. All invoices shall reference the Contract number assigned to this Contract. Payment shall be in accordance with Section 103-10, Hawaii Revised Statutes (HRS), upon certification by the Officer-In-Charge (OIC) that the CONTRACTOR has satisfactorily performed the services specified. Payment shall be made on the basis of actual man-hours of security services performed by the CONTRACTOR. The CONTRACTOR shall submit bi-monthly invoices for payment, listing dates and man-hours of security services rendered for the previous month. All charges for any emergency calls shall be described, and the charges shall be computed at the contracted rate per hour on a separate invoice. The CONTRACTOR shall clearly indicate any adjustments made to the billing statement for work not performed.



STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

- d. The OIC shall submit a report to the CONTRACTOR listing any discrepancies or Contract violation(s), which need correction. The Contractor shall correct these discrepancies or Contract violation(s) by the next reporting period for payment adjustment purposes. Liquidated damages may apply for the Contractor's failure to comply.
 - e. Charges for extra security services that are not specified in the Service Schedule or not added to the Contract by an amendment of contract or a Supplemental Contract shall be submitted on a separate invoice and will be paid for by state purchase order, state procurement card, or other appropriate means. Charges for emergency services shall be invoiced in this manner.
 - f. For final payment, the CONTRACTOR must submit a valid original tax clearance certificate "Certification of Compliance for Final Payment" (SPO Form-22). If the CONTRACTOR fails to provide a valid tax clearance certificate within one (1) month of the termination date of this Contract, the STATE shall assign the final payment in an amount not to exceed the tax liability to the Department of Taxation or the Internal Revenue Service, provided that the debt owed to the Department of Taxation shall be offset first.
- 4. The CONTRACTOR shall be reimbursed at the accepted bid price per hour, which shall be the all-inclusive cost to the STATE, including all applicable taxes for providing the services specified. The total bid price shall be applicable to additional security services provided during or after normal work hours during the term of this Contract.
 - 5. The STATE is not responsible for overtime and shall not pay for any overtime.
 - 6. It is the sole responsibility of the CONTRACTOR to comply with section 103-55, HRS. The CONTRACTOR shall not be paid any reimbursement of retroactive pay. The STATE may consider requests for increases as a result of an increase to public officers and employees during the Contract period or during any option period. The CONTRACTOR's requests for an increase must meet the following criteria:
 - a. At the time of the request, the CONTRACTOR's hourly wage rate must be less than the prevailing State wage rate; and
 - b. The CONTRACTOR must or must have provided documentation to show that the hourly wage rate is in compliance with section 103-55, HRS, and that its employees are being paid no less than the known hourly wage rate of the equivalent State position.



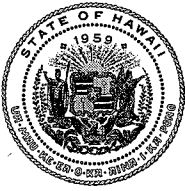
STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

- c. Request for an increase must be made in writing to the STATE on a timely basis. Request for increase for the initial Contract period must be made as soon as practicable after the State wage agreements are made public. Approved request will be retroactive to the date of increase for the State employees with adequate documentation that the CONTRACTOR provided its employees a wage increase.

Request for increase for an option period of the Contract must be made prior to the start of the option period.

7. The CONTRACTOR shall repair all damages caused by CONTRACTOR's equipment or employees to existing utilities and structures, such as water lines, electric conduits, sewer lines, and buildings. If such repairs are not completed within a reasonable time, STATE reserves the right to purchase services for the necessary repairs from the open market and to deduct all repairs costs from moneys due or may thereafter become due to CONTRACTOR. In the event money due to the CONTRACTOR is insufficient for the purpose, CONTRACTOR shall pay the difference upon demand by STATE.



STATE OF HAWAII

TIME OF PERFORMANCE

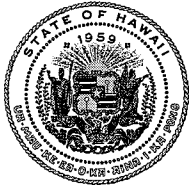
Contractor:

Complex: Puuwai Momi (1026) 99-132 Kohomua Street, Aiea, Hawaii 96701

1. The term of this Contract for Furnishing Security Services shall be for a 12 month period, beginning on August 1, 2010 and ending on July 31, 2011.
2. No services shall be performed on this Contract prior to August 1, 2010.
3. The option to extend the Contract shall be at the sole discretion of the STATE. The Contract may be extended without the necessity of rebidding at the same rates as proposed in the original bid, unless price adjustments are made and approved as provided herein:

Initial term of Contract:	12 months
Length of each extension:	Up to twelve months (may be less than twelve months when it is in the best interest of the State)
Maximum length of contract:	36 months

4. The initial period shall commence on the Contract start date. The following conditions must be met for an extension:
 - a. The CONTRACTOR experienced cost savings and has unexpended funds available that can be used to provide additional services; or
 - b. The STATE determines there is an ongoing need for the services and has funds to extend services, not to exceed a twelve-month period. Contract extensions shall be awarded at the same or comparable rates as the Primary Contract; and
 - c. A Supplemental Contract must be executed prior to expiration of the Primary Contract; and
 - d. The STATE may obtain HUD approval in writing of the extension prior to execution of a Supplemental Contract if Federal HUD funds are to be used; and
 - e. The CONTRACTOR must obtain STATE approval in writing and a notice to proceed with the extension; and
 - f. The STATE has determined that the CONTRACTOR has satisfactorily provided services over the current Contract term; and
 - g. The necessary State and/or Federal funds are appropriated and allotted for an extension.



Attachment – S4

STATE OF HAWAII

CERTIFICATE OF EXEMPTION FROM CIVIL SERVICE

1. By Heads of Departments Delegated by the Director of the Department of Human Resources Development ("DHRD").*

Pursuant to a delegation of the authority by the Director of DHRD, I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, Hawaii Revised Statutes (HRS).

(Signature)

Denise M. Wise

(Date)

(Print Name)

Executive Director

(Print Title)

* This part of the form may be used by all department heads and the heads of attached agencies to whom the Director of DHRD expressly has delegated authority to certify § 76-16, HRS, civil service exemptions. The specific paragraph(s) of § 76-16, HRS, upon which an exemption is based should be noted in the contract file. If an exemption is based on § 76-16(b)(15), the contract must meet the following conditions:

- (1) It involves the delivery of completed work or product by or during a specific time;
- (2) There is no employee-employer relationship; and
- (3) The authorized funding for the service is from other than the "A" or personal services cost element.

NOTE: Not all attached agencies have received a delegation under § 76-16(b)(15). If in doubt, attached agencies should check with the Director of DHRD prior to certifying an exemption under § 76-16(b)(15). Authority to certify exemptions under §§ 76-16(b)(2), and 76-16(b)(12), HRS, has not been delegated; only the Director of DHRD may certify §§ 76-16(b)(2), and 76-16(b)(12) exemptions.

2. By the Director of DHRD, State of Hawaii.

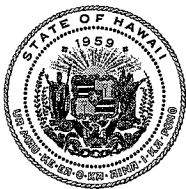
I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, HRS.

(Signature)

(Date)

(Print Name)

(Print Title, if designee of the Director of DHRD)



STATE OF HAWAII

SPECIAL CONDITIONS

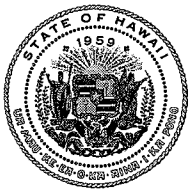
Contractor:

Complex: Puuwai Momi (1026) 99-132 Kohomua Street, Aiea, Hawaii 96701

1. The CONTRACTOR shall maintain insurance acceptable to the STATE in full force and effect throughout the term of this contract. The policies of insurance maintained by the CONTRACTOR shall provide the following coverage.

<u>Coverage</u>	<u>Limit</u>
General Liability Insurance (occurrence form)	<u>\$2,000,000.00</u> combined single limit per occurrence for bodily injury and property damage.
Automobile Insurance covering all owned, non- owned and hired automobiles.	Bodily injury liability limits of <u>\$1,000,000.00</u> each person and <u>\$1,000,000.00</u> per accident and property damage liability limits of <u>\$1,000,000.00</u> per accident OR Combined single limit of \$2,000,000.00.
Workers Compensation as required by laws of the State of Hawaii.	Insurance to include Employer's Liability. Both such coverages shall apply to all employees of the CONTRACTOR and (in case any sub-CONTRACTOR fails to provide adequate similar protection for all his employees) to all employees of sub-CONTRACTORS.

- a. The State of Hawaii, the Hawaii Public Housing Authority (HPHA), its elected and appointed officials, and employees are added as additional insured with respect to operations performed under this Contract. The CONTRACTOR agrees to provide the STATE before the effective date of the Contract, certificate(s) of insurance necessary to satisfy the STATE that the insurance provisions of this Contract have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the STATE during the entire term of this Contract. The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the Contract, including Supplemental Contracts. Upon request by the STATE, the CONTRACTOR shall furnish a copy of the policy or policies.
- b. Failure of the CONTRACTOR to provide and keep in force such insurance shall be a material default under this Contract. The STATE shall be entitled to exercise any or all of the remedies provided in this Contract for default of the CONTRACTOR.
- c. The procuring of such required policy or policies of insurance shall not be construed to limit CONTRACTOR's liability hereunder or to fulfill the indemnification provisions and requirements of this Contract. Notwithstanding said policy or policies of insurance, CONTRACTOR shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.



STATE OF HAWAII

SPECIAL CONDITIONS

- d. The insurer shall notify the STATE in writing of any cancellation or change in provisions thirty calendar days prior to the effective date of such cancellation or change.
 - e. The Hawaii Public Housing Authority is a self insured State agency. The CONTRACTOR's insurance shall be primary. Any insurance maintained by the State of Hawaii shall apply in excess of, and shall not contribute with, insurance provided by the CONTRACTOR.
- 2. The CONTRACTOR shall have a permanent office on the island of Oahu or the geographic area awarded from where he/she conducts business and where he/she will be accessible to telephone calls for complaints or requests that need immediate attention. An answering service is not acceptable.
 - 3. The STATE shall monitor the performance of work on an ongoing basis through desk monitoring, site inspection and/or other appropriate methods.
 - 4. Should the CONTRACTOR fail to comply with the requirements of the Contract, the STATE reserves the right to engage the services of another company to perform the services to remedy the defect or failure. The STATE may deduct such costs from monies due to the CONTRACTOR or may directly assess the CONTRACTOR.
 - 5. In the event the CONTRACTOR fails, refuses, or neglects to perform the services in accordance with the requirements of the Contract Documents, the STATE reserves the right to purchase in the open market a corresponding quantity of services, and to deduct the cost of such services from any monies due or may thereafter become due the CONTRACTOR. In case money due to the CONTRACTOR is insufficient for the purpose, the CONTRACTOR shall pay the difference upon demand by the STATE. The STATE may also utilize all other remedies provided under the Contract and by law and rules.

GENERAL CONDITIONS

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GENERAL CONDITIONS

1. Coordination of Services by the STATE. The head of the purchasing agency ("HOPA") (which term includes the designee of the HOPA) shall coordinate the services to be provided by the CONTRACTOR in order to complete the performance required in the Contract. The CONTRACTOR shall maintain communications with HOPA at all stages of the CONTRACTOR'S work, and submit to HOPA for resolution any questions which may arise as to the performance of this Contract. "Purchasing agency" as used in these General Conditions means and includes any governmental body which is authorized under chapter 103D, HRS, or its implementing rules and procedures, or by way of delegation, to enter into contracts for the procurement of goods or services or both.
2. Relationship of Parties: Independent Contractor Status and Responsibilities, Including Tax Responsibilities.
 - a. In the performance of services required under this Contract, the CONTRACTOR is an "independent contractor," with the authority and responsibility to control and direct the performance and details of the work and services required under this Contract; however, the STATE shall have a general right to inspect work in progress to determine whether, in the STATE'S opinion, the services are being performed by the CONTRACTOR in compliance with this Contract. Unless otherwise provided by special condition, it is understood that the STATE does not agree to use the CONTRACTOR exclusively, and that the CONTRACTOR is free to contract to provide services to other individuals or entities while under contract with the STATE.
 - b. The CONTRACTOR and the CONTRACTOR'S employees and agents are not by reason of this Contract, agents or employees of the State for any purpose, and the CONTRACTOR and the CONTRACTOR'S employees and agents shall not be entitled to claim or receive from the State any vacation, sick leave, retirement, workers' compensation, unemployment insurance, or other benefits provided to state employees.
 - c. The CONTRACTOR shall be responsible for the accuracy, completeness, and adequacy of the CONTRACTOR'S performance under this Contract. Furthermore, the CONTRACTOR intentionally, voluntarily, and knowingly assumes the sole and entire liability to the CONTRACTOR'S employees and agents, and to any individual not a party to this Contract, for all loss, damage, or injury caused by the CONTRACTOR, or the CONTRACTOR'S employees or agents in the course of their employment.
 - d. The CONTRACTOR shall be responsible for payment of all applicable federal, state, and county taxes and fees which may become due and owing by the CONTRACTOR by reason of this Contract, including but not limited to (i) income taxes, (ii) employment related fees, assessments, and taxes, and (iii) general excise taxes. The CONTRACTOR also is responsible for obtaining all licenses, permits, and certificates that may be required in order to perform this Contract.
 - e. The CONTRACTOR shall obtain a general excise tax license from the Department of Taxation, State of Hawaii, in accordance with section 237-9, HRS, and shall comply with all requirements thereof. The CONTRACTOR shall obtain a tax clearance certificate from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of the Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR have been paid and submit the same to the STATE prior to commencing any performance under this Contract. The CONTRACTOR shall also be solely responsible for meeting all requirements necessary to obtain the tax clearance certificate required for final payment under sections 103-53 and 103D-328, HRS, and paragraph 17 of these General Conditions.
 - f. The CONTRACTOR is responsible for securing all employee-related insurance coverage for the CONTRACTOR and the CONTRACTOR'S employees and agents that is or may be required by law, and for payment of all premiums, costs, and other liabilities associated with securing the insurance coverage.

- g. The CONTRACTOR shall obtain a certificate of compliance issued by the Department of Labor and Industrial Relations, State of Hawaii, in accordance with section 103D-310, HRS, and section 3-122-112, HAR, that is current within six months of the date of issuance.
- h. The CONTRACTOR shall obtain a certificate of good standing issued by the Department of Commerce and Consumer Affairs, State of Hawaii, in accordance with section 103D-310, HRS, and section 3-122-112, HAR, that is current within six months of the date of issuance.
- i. In lieu of the above certificates from the Department of Taxation, Labor and Industrial Relations, and Commerce and Consumer Affairs, the CONTRACTOR may submit proof of compliance through the State Procurement Office's designated certification process.

3. Personnel Requirements.

- a. The CONTRACTOR shall secure, at the CONTRACTOR'S own expense, all personnel required to perform this Contract.
- b. The CONTRACTOR shall ensure that the CONTRACTOR'S employees or agents are experienced and fully qualified to engage in the activities and perform the services required under this Contract, and that all applicable licensing and operating requirements imposed or required under federal, state, or county law, and all applicable accreditation and other standards of quality generally accepted in the field of the activities of such employees and agents are complied with and satisfied.

4. Nondiscrimination. No person performing work under this Contract, including any subcontractor, employee, or agent of the CONTRACTOR, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

5. Conflicts of Interest. The CONTRACTOR represents that neither the CONTRACTOR, nor any employee or agent of the CONTRACTOR, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the CONTRACTOR'S performance under this Contract.

6. Subcontracts and Assignments. The CONTRACTOR shall not assign or subcontract any of the CONTRACTOR'S duties, obligations, or interests under this Contract and no such assignment or subcontract shall be effective unless (i) the CONTRACTOR obtains the prior written consent of the STATE, and (ii) the CONTRACTOR'S assignee or subcontractor submits to the STATE a tax clearance certificate from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR'S assignee or subcontractor have been paid. Additionally, no assignment by the CONTRACTOR of the CONTRACTOR'S right to compensation under this Contract shall be effective unless and until the assignment is approved by the Comptroller of the State of Hawaii, as provided in section 40-58, HRS.

- a. Recognition of a successor in interest. When in the best interest of the State, a successor in interest may be recognized in an assignment contract in which the STATE, the CONTRACTOR and the assignee or transferee (hereinafter referred to as the "Assignee") agree that:

- (1) The Assignee assumes all of the CONTRACTOR'S obligations;
- (2) The CONTRACTOR remains liable for all obligations under this Contract but waives all rights under this Contract as against the STATE; and
- (3) The CONTRACTOR shall continue to furnish, and the Assignee shall also furnish, all required bonds.

- b. Change of name. When the CONTRACTOR asks to change the name in which it holds this Contract with the STATE, the procurement officer of the purchasing agency (hereinafter referred to as the "Agency procurement officer") shall, upon receipt of a document acceptable or satisfactory to the

Agency procurement officer indicating such change of name (for example, an amendment to the CONTRACTOR'S articles of incorporation), enter into an amendment to this Contract with the CONTRACTOR to effect such a change of name. The amendment to this Contract changing the CONTRACTOR'S name shall specifically indicate that no other terms and conditions of this Contract are thereby changed.

- c. Reports. All assignment contracts and amendments to this Contract effecting changes of the CONTRACTOR'S name or novations hereunder shall be reported to the chief procurement officer (CPO) as defined in section 103D-203(a), HRS, within thirty days of the date that the assignment contract or amendment becomes effective.
 - d. Actions affecting more than one purchasing agency. Notwithstanding the provisions of subparagraphs 6a through 6c herein, when the CONTRACTOR holds contracts with more than one purchasing agency of the State, the assignment contracts and the novation and change of name amendments herein authorized shall be processed only through the CPO's office.
7. Indemnification and Defense. The CONTRACTOR shall defend, indemnify, and hold harmless the State of Hawaii, the contracting agency, and their officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefore, arising out of or resulting from the acts or omissions of the CONTRACTOR or the CONTRACTOR'S employees, officers, agents, or subcontractors under this Contract. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Contract.
8. Cost of Litigation. In case the STATE shall, without any fault on its part, be made a party to any litigation commenced by or against the CONTRACTOR in connection with this Contract, the CONTRACTOR shall pay all costs and expenses incurred by or imposed on the STATE, including attorneys' fees.
9. Liquidated Damages. When the CONTRACTOR is given notice of delay or nonperformance as specified in paragraph 13 (Termination for Default) and fails to cure in the time specified, it is agreed the CONTRACTOR shall pay to the STATE the amount, if any, set forth in this Contract per calendar day from the date set for cure until either (i) the STATE reasonably obtains similar goods or services, or both, if the CONTRACTOR is terminated for default, or (ii) until the CONTRACTOR provides the goods or services, or both, if the CONTRACTOR is not terminated for default. To the extent that the CONTRACTOR'S delay or nonperformance is excused under paragraph 13d (Excuse for Nonperformance or Delay Performance), liquidated damages shall not be assessable against the CONTRACTOR. The CONTRACTOR remains liable for damages caused other than by delay.
10. STATE'S Right of Offset. The STATE may offset against any monies or other obligations the STATE owes to the CONTRACTOR under this Contract, any amounts owed to the State of Hawaii by the CONTRACTOR under this Contract or any other contracts, or pursuant to any law or other obligation owed to the State of Hawaii by the CONTRACTOR, including, without limitation, the payment of any taxes or levies of any kind or nature. The STATE will notify the CONTRACTOR in writing of any offset and the nature of such offset. For purposes of this paragraph, amounts owed to the State of Hawaii shall not include debts or obligations which have been liquidated, agreed to by the CONTRACTOR, and are covered by an installment payment or other settlement plan approved by the State of Hawaii, provided, however, that the CONTRACTOR shall be entitled to such exclusion only to the extent that the CONTRACTOR is current with, and not delinquent on, any payments or obligations owed to the State of Hawaii under such payment or other settlement plan.
11. Disputes. Disputes shall be resolved in accordance with section 103D-703, HRS, and chapter 3-126, Hawaii Administrative Rules ("HAR"), as the same may be amended from time to time.
12. Suspension of Contract. The STATE reserves the right at any time and for any reason to suspend this Contract for any reasonable period, upon written notice to the CONTRACTOR in accordance with the provisions herein.
- a. Order to stop performance. The Agency procurement officer may, by written order to the CONTRACTOR, at any time, and without notice to any surety, require the CONTRACTOR to stop all or any part of the performance called for by this Contract. This order shall be for a specified period

not exceeding sixty (60) days after the order is delivered to the CONTRACTOR, unless the parties agree to any further period. Any such order shall be identified specifically as a stop performance order issued pursuant to this section. Stop performance orders shall include, as appropriate: (1) A clear description of the work to be suspended; (2) Instructions as to the issuance of further orders by the CONTRACTOR for material or services; (3) Guidance as to action to be taken on subcontracts; and (4) Other instructions and suggestions to the CONTRACTOR for minimizing costs. Upon receipt of such an order, the CONTRACTOR shall forthwith comply with its terms and suspend all performance under this Contract at the time stated, provided, however, the CONTRACTOR shall take all reasonable steps to minimize the occurrence of costs allocable to the performance covered by the order during the period of performance stoppage. Before the stop performance order expires, or within any further period to which the parties shall have agreed, the Agency procurement officer shall either:

- (1) Cancel the stop performance order; or
 - (2) Terminate the performance covered by such order as provided in the termination for default provision or the termination for convenience provision of this Contract.
- b. Cancellation or expiration of the order. If a stop performance order issued under this section is cancelled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, the CONTRACTOR shall have the right to resume performance. An appropriate adjustment shall be made in the delivery schedule or contract price, or both, and the Contract shall be modified in writing accordingly, if:
- (1) The stop performance order results in an increase in the time required for, or in the CONTRACTOR'S cost properly allocable to, the performance of any part of this Contract; and
 - (2) The CONTRACTOR asserts a claim for such an adjustment within thirty (30) days after the end of the period of performance stoppage; provided that, if the Agency procurement officer decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this Contract.
- c. Termination of stopped performance. If a stop performance order is not cancelled and the performance covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop performance order shall be allowable by adjustment or otherwise.
- d. Adjustment of price. Any adjustment in contract price made pursuant to this paragraph shall be determined in accordance with the price adjustment provision of this Contract.

13. Termination for Default.

- a. Default. If the CONTRACTOR refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure its completion within the time specified in this Contract, or any extension thereof, otherwise fails to timely satisfy the Contract provisions, or commits any other substantial breach of this Contract, the Agency procurement officer may notify the CONTRACTOR in writing of the delay or non-performance and if not cured in ten (10) days or any longer time specified in writing by the Agency procurement officer, such officer may terminate the CONTRACTOR'S right to proceed with the Contract or such part of the Contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part, the Agency procurement officer may procure similar goods or services in a manner and upon the terms deemed appropriate by the Agency procurement officer. The CONTRACTOR shall continue performance of the Contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services.
- b. CONTRACTOR'S duties. Notwithstanding termination of the Contract and subject to any directions from the Agency procurement officer, the CONTRACTOR shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the CONTRACTOR in which the STATE has an interest.

- c. Compensation. Payment for completed goods and services delivered and accepted by the STATE shall be at the price set forth in the Contract. Payment for the protection and preservation of property shall be in an amount agreed upon by the CONTRACTOR and the Agency procurement officer. If the parties fail to agree, the Agency procurement officer shall set an amount subject to the CONTRACTOR'S rights under chapter 3-126, HAR. The STATE may withhold from amounts due the CONTRACTOR such sums as the Agency procurement officer deems to be necessary to protect the STATE against loss because of outstanding liens or claims and to reimburse the STATE for the excess costs expected to be incurred by the STATE in procuring similar goods and services.
- d. Excuse for nonperformance or delayed performance. The CONTRACTOR shall not be in default by reason of any failure in performance of this Contract in accordance with its terms, including any failure by the CONTRACTOR to make progress in the prosecution of the performance hereunder which endangers such performance, if the CONTRACTOR has notified the Agency procurement officer within fifteen (15) days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of a public enemy; acts of the State and any other governmental body in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform is caused by the failure of a subcontractor to perform or to make progress, and if such failure arises out of causes similar to those set forth above, the CONTRACTOR shall not be deemed to be in default, unless the goods and services to be furnished by the subcontractor were reasonably obtainable from other sources in sufficient time to permit the CONTRACTOR to meet the requirements of the Contract. Upon request of the CONTRACTOR, the Agency procurement officer shall ascertain the facts and extent of such failure, and, if such officer determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the CONTRACTOR'S progress and performance would have met the terms of the Contract, the delivery schedule shall be revised accordingly, subject to the rights of the STATE under this Contract. As used in this paragraph, the term "subcontractor" means subcontractor at any tier.
- e. Erroneous termination for default. If, after notice of termination of the CONTRACTOR'S right to proceed under this paragraph, it is determined for any reason that the CONTRACTOR was not in default under this paragraph, or that the delay was excusable under the provisions of subparagraph 13d, "Excuse for nonperformance or delayed performance," the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to paragraph 14.
- f. Additional rights and remedies. The rights and remedies provided in this paragraph are in addition to any other rights and remedies provided by law or under this Contract.

14. Termination for Convenience.

- a. Termination. The Agency procurement officer may, when the interests of the STATE so require, terminate this Contract in whole or in part, for the convenience of the STATE. The Agency procurement officer shall give written notice of the termination to the CONTRACTOR specifying the part of the Contract terminated and when termination becomes effective.
- b. CONTRACTOR'S obligations. The CONTRACTOR shall incur no further obligations in connection with the terminated performance and on the date(s) set in the notice of termination the CONTRACTOR will stop performance to the extent specified. The CONTRACTOR shall also terminate outstanding orders and subcontracts as they relate to the terminated performance. The CONTRACTOR shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated performance subject to the STATE'S approval. The Agency procurement officer may direct the CONTRACTOR to assign the CONTRACTOR'S right, title, and interest under terminated orders or subcontracts to the STATE. The CONTRACTOR must still complete the performance not terminated by the notice of termination and may incur obligations as necessary to do so.
- c. Right to goods and work product. The Agency procurement officer may require the CONTRACTOR to transfer title and deliver to the STATE in the manner and to the extent directed by the Agency procurement officer:

- (1) Any completed goods or work product; and
- (2) The partially completed goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing material") as the CONTRACTOR has specifically produced or specially acquired for the performance of the terminated part of this Contract.

The CONTRACTOR shall, upon direction of the Agency procurement officer, protect and preserve property in the possession of the CONTRACTOR in which the STATE has an interest. If the Agency procurement officer does not exercise this right, the CONTRACTOR shall use best efforts to sell such goods and manufacturing materials. Use of this paragraph in no way implies that the STATE has breached the Contract by exercise of the termination for convenience provision.

d. Compensation.

- (1) The CONTRACTOR shall submit a termination claim specifying the amounts due because of the termination for convenience together with the cost or pricing data, submitted to the extent required by chapter 3-122, HAR, bearing on such claim. If the CONTRACTOR fails to file a termination claim within one year from the effective date of termination, the Agency procurement officer may pay the CONTRACTOR, if at all, an amount set in accordance with subparagraph 14d(3) below.
- (2) The Agency procurement officer and the CONTRACTOR may agree to a settlement provided the CONTRACTOR has filed a termination claim supported by cost or pricing data submitted as required and that the settlement does not exceed the total Contract price plus settlement costs reduced by payments previously made by the STATE, the proceeds of any sales of goods and manufacturing materials under subparagraph 14c, and the Contract price of the performance not terminated.
- (3) Absent complete agreement under subparagraph 14d(2) the Agency procurement officer shall pay the CONTRACTOR the following amounts, provided payments agreed to under subparagraph 14d(2) shall not duplicate payments under this subparagraph for the following:
 - (A) Contract prices for goods or services accepted under the Contract;
 - (B) Costs incurred in preparing to perform and performing the terminated portion of the performance plus a fair and reasonable profit on such portion of the performance, such profit shall not include anticipatory profit or consequential damages, less amounts paid or to be paid for accepted goods or services; provided, however, that if it appears that the CONTRACTOR would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss;
 - (C) Costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to subparagraph 14b. These costs must not include costs paid in accordance with subparagraph 14d(3)(B);
 - (D) The reasonable settlement costs of the CONTRACTOR, including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the Contract and for the termination of subcontracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this Contract. The total sum to be paid the CONTRACTOR under this subparagraph shall not exceed the total Contract price plus the reasonable settlement costs of the CONTRACTOR reduced by the amount of payments otherwise made, the proceeds of any sales of

supplies and manufacturing materials under subparagraph 14d(2), and the contract price of performance not terminated.

- (4) Costs claimed, agreed to, or established under subparagraphs 14d(2) and 14d(3) shall be in accordance with Chapter 3-123 (Cost Principles) of the Procurement Rules.

15. Claims Based on the Agency Procurement Officer's Actions or Omissions.

- a. Changes in scope. If any action or omission on the part of the Agency procurement officer (which term includes the designee of such officer for purposes of this paragraph 15) requiring performance changes within the scope of the Contract constitutes the basis for a claim by the CONTRACTOR for additional compensation, damages, or an extension of time for completion, the CONTRACTOR shall continue with performance of the Contract in compliance with the directions or orders of such officials, but by so doing, the CONTRACTOR shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided:
- (1) Written notice required. The CONTRACTOR shall give written notice to the Agency procurement officer:
- (A) Prior to the commencement of the performance involved, if at that time the CONTRACTOR knows of the occurrence of such action or omission;
- (B) Within thirty (30) days after the CONTRACTOR knows of the occurrence of such action or omission, if the CONTRACTOR did not have such knowledge prior to the commencement of the performance; or
- (C) Within such further time as may be allowed by the Agency procurement officer in writing.
- (2) Notice content. This notice shall state that the CONTRACTOR regards the act or omission as a reason which may entitle the CONTRACTOR to additional compensation, damages, or an extension of time. The Agency procurement officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Agency procurement officer;
- (3) Basis must be explained. The notice required by subparagraph 15a(1) describes as clearly as practicable at the time the reasons why the CONTRACTOR believes that additional compensation, damages, or an extension of time may be remedies to which the CONTRACTOR is entitled; and
- (4) Claim must be justified. The CONTRACTOR must maintain and, upon request, make available to the Agency procurement officer within a reasonable time, detailed records to the extent practicable, and other documentation and evidence satisfactory to the STATE, justifying the claimed additional costs or an extension of time in connection with such changes.
- b. CONTRACTOR not excused. Nothing herein contained, however, shall excuse the CONTRACTOR from compliance with any rules or laws precluding any state officers and CONTRACTOR from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the Contract.
- c. Price adjustment. Any adjustment in the price made pursuant to this paragraph shall be determined in accordance with the price adjustment provision of this Contract.

16. Costs and Expenses. Any reimbursement due the CONTRACTOR for per diem and transportation expenses under this Contract shall be subject to chapter 3-123 (Cost Principles), HAR, and the following guidelines:

- a. Reimbursement for air transportation shall be for actual cost or coach class air fare, whichever is less.

- b. Reimbursement for ground transportation costs shall not exceed the actual cost of renting an intermediate-sized vehicle.
- c. Unless prior written approval of the HOPA is obtained, reimbursement for subsistence allowance (i.e., hotel and meals, etc.) shall not exceed the applicable daily authorized rates for inter-island or out-of-state travel that are set forth in the current Governor's Executive Order authorizing adjustments in salaries and benefits for state officers and employees in the executive branch who are excluded from collective bargaining coverage.

17. Payment Procedures; Final Payment; Tax Clearance.

- a. Original invoices required. All payments under this Contract shall be made only upon submission by the CONTRACTOR of original invoices specifying the amount due and certifying that services requested under the Contract have been performed by the CONTRACTOR according to the Contract.
- b. Subject to available funds. Such payments are subject to availability of funds and allotment by the Director of Finance in accordance with chapter 37, HRS. Further, all payments shall be made in accordance with and subject to chapter 40, HRS.
- c. Prompt payment.
 - (1) Any money, other than retainage, paid to the CONTRACTOR shall be disbursed to subcontractors within ten (10) days after receipt of the money in accordance with the terms of the subcontract; provided that the subcontractor has met all the terms and conditions of the subcontract and there are no bona fide disputes; and
 - (2) Upon final payment to the CONTRACTOR, full payment to the subcontractor, including retainage, shall be made within ten (10) days after receipt of the money; provided that there are no bona fide disputes over the subcontractor's performance under the subcontract.
- d. Final payment. Final payment under this Contract shall be subject to sections 103-53 and 103D-328, HRS, which require a tax clearance from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR have been paid. Further, in accordance with section 3-122-112, HAR, CONTRACTOR shall provide a certificate affirming that the CONTRACTOR has remained in compliance with all applicable laws as required by this section.

18. Federal Funds. If this Contract is payable in whole or in part from federal funds, CONTRACTOR agrees that, as to the portion of the compensation under this Contract to be payable from federal funds, the CONTRACTOR shall be paid only from such funds received from the federal government, and shall not be paid from any other funds. Failure of the STATE to receive anticipated federal funds shall not be considered a breach by the STATE or an excuse for nonperformance by the CONTRACTOR.

19. Modifications of Contract.

- a. In writing. Any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract permitted by this Contract shall be made by written amendment to this Contract, signed by the CONTRACTOR and the STATE, provided that change orders shall be made in accordance with paragraph 20 herein.
- b. No oral modification. No oral modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract shall be permitted.
- c. Agency procurement officer. By written order, at any time, and without notice to any surety, the Agency procurement officer may unilaterally order of the CONTRACTOR:

- (A) Changes in the work within the scope of the Contract; and
 - (B) Changes in the time of performance of the Contract that do not alter the scope of the Contract work.
- d. Adjustments of price or time for performance. If any modification increases or decreases the CONTRACTOR'S cost of, or the time required for, performance of any part of the work under this Contract, an adjustment shall be made and this Contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined, where applicable, in accordance with the price adjustment clause of this Contract or as negotiated.
 - e. Claim barred after final payment. No claim by the CONTRACTOR for an adjustment hereunder shall be allowed if written modification of the Contract is not made prior to final payment under this Contract.
 - f. Claims not barred. In the absence of a written contract modification, nothing in this clause shall be deemed to restrict the CONTRACTOR'S right to pursue a claim under this Contract or for a breach of contract.
 - g. CPO approval. If this is a professional services contract awarded pursuant to section 103D-303 or 103D-304, HRS, any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract which increases the amount payable to the CONTRACTOR by at least \$25,000.00 or ten per cent (10%) of the initial contract price, whichever increase is higher, must receive the prior approval of the CPO.
 - h. Tax clearance. The STATE may, at its discretion, require the CONTRACTOR to submit to the STATE, prior to the STATE'S approval of any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract, a tax clearance from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR have been paid.
 - i. Sole source contracts. Amendments to sole source contracts that would change the original scope of the Contract may only be made with the approval of the CPO. Annual renewal of a sole source contract for services should not be submitted as an amendment.
20. Change Order. The Agency procurement officer may, by a written order signed only by the STATE, at any time, and without notice to any surety, and subject to all appropriate adjustments, make changes within the general scope of this Contract in any one or more of the following:
- (1) Drawings, designs, or specifications, if the goods or services to be furnished are to be specially provided to the STATE in accordance therewith;
 - (2) Method of delivery; or
 - (3) Place of delivery.
- a. Adjustments of price or time for performance. If any change order increases or decreases the CONTRACTOR'S cost of, or the time required for, performance of any part of the work under this Contract, whether or not changed by the order, an adjustment shall be made and the Contract modified in writing accordingly. Any adjustment in the Contract price made pursuant to this provision shall be determined in accordance with the price adjustment provision of this Contract. Failure of the parties to agree to an adjustment shall not excuse the CONTRACTOR from proceeding with the Contract as changed, provided that the Agency procurement officer promptly and duly makes the provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the CONTRACTOR shall not be deemed to have prejudiced any claim for additional compensation, or any extension of time for completion.

- b. Time period for claim. Within ten (10) days after receipt of a written change order under subparagraph 20a, unless the period is extended by the Agency procurement officer in writing, the CONTRACTOR shall respond with a claim for an adjustment. The requirement for a timely written response by CONTRACTOR cannot be waived and shall be a condition precedent to the assertion of a claim.
- c. Claim barred after final payment. No claim by the CONTRACTOR for an adjustment hereunder shall be allowed if a written response is not given prior to final payment under this Contract.
- d. Other claims not barred. In the absence of a change order, nothing in this paragraph 20 shall be deemed to restrict the CONTRACTOR'S right to pursue a claim under the Contract or for breach of contract.

21. Price Adjustment.

- a. Price adjustment. Any adjustment in the contract price pursuant to a provision in this Contract shall be made in one or more of the following ways:
 - (1) By agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;
 - (2) By unit prices specified in the Contract or subsequently agreed upon;
 - (3) By the costs attributable to the event or situation covered by the provision, plus appropriate profit or fee, all as specified in the Contract or subsequently agreed upon;
 - (4) In such other manner as the parties may mutually agree; or
 - (5) In the absence of agreement between the parties, by a unilateral determination by the Agency procurement officer of the costs attributable to the event or situation covered by the provision, plus appropriate profit or fee, all as computed by the Agency procurement officer in accordance with generally accepted accounting principles and applicable sections of chapters 3-123 and 3-126, HAR.
- b. Submission of cost or pricing data. The CONTRACTOR shall provide cost or pricing data for any price adjustments subject to the provisions of chapter 3-122, HAR.

22. Variation in Quantity for Definite Quantity Contracts. Upon the agreement of the STATE and the CONTRACTOR, the quantity of goods or services, or both, if a definite quantity is specified in this Contract, may be increased by a maximum of ten per cent (10%); provided the unit prices will remain the same except for any price adjustments otherwise applicable; and the Agency procurement officer makes a written determination that such an increase will either be more economical than awarding another contract or that it would not be practical to award another contract.

23. Changes in Cost-Reimbursement Contract. If this Contract is a cost-reimbursement contract, the following provisions shall apply:

- a. The Agency procurement officer may at any time by written order, and without notice to the sureties, if any, make changes within the general scope of the Contract in any one or more of the following:
 - (1) Description of performance (Attachment 1);
 - (2) Time of performance (i.e., hours of the day, days of the week, etc.);
 - (3) Place of performance of services;

- (4) Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for the STATE in accordance with the drawings, designs, or specifications;
 - (5) Method of shipment or packing of supplies; or
 - (6) Place of delivery.
- b. If any change causes an increase or decrease in the estimated cost of, or the time required for performance of, any part of the performance under this Contract, whether or not changed by the order, or otherwise affects any other terms and conditions of this Contract, the Agency procurement officer shall make an equitable adjustment in the (1) estimated cost, delivery or completion schedule, or both; (2) amount of any fixed fee; and (3) other affected terms and shall modify the Contract accordingly.
 - c. The CONTRACTOR must assert the CONTRACTOR'S rights to an adjustment under this provision within thirty (30) days from the day of receipt of the written order. However, if the Agency procurement officer decides that the facts justify it, the Agency procurement officer may receive and act upon a proposal submitted before final payment under the Contract.
 - d. Failure to agree to any adjustment shall be a dispute under paragraph 11 of this Contract. However, nothing in this provision shall excuse the CONTRACTOR from proceeding with the Contract as changed.
 - e. Notwithstanding the terms and conditions of subparagraphs 23a and 23b, the estimated cost of this Contract and, if this Contract is incrementally funded, the funds allotted for the performance of this Contract, shall not be increased or considered to be increased except by specific written modification of the Contract indicating the new contract estimated cost and, if this contract is incrementally funded, the new amount allotted to the contract.

24. Confidentiality of Material.

- a. All material given to or made available to the CONTRACTOR by virtue of this Contract, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.
- b. All information, data, or other material provided by the CONTRACTOR to the STATE shall be subject to the Uniform Information Practices Act, chapter 92F, HRS.

25. Publicity. The CONTRACTOR shall not refer to the STATE, or any office, agency, or officer thereof, or any state employee, including the HOPA, the CPO, the Agency procurement officer, or to the services or goods, or both, provided under this Contract, in any of the CONTRACTOR'S brochures, advertisements, or other publicity of the CONTRACTOR. All media contacts with the CONTRACTOR about the subject matter of this Contract shall be referred to the Agency procurement officer.

26. Ownership Rights and Copyright. The STATE shall have complete ownership of all material, both finished and unfinished, which is developed, prepared, assembled, or conceived by the CONTRACTOR pursuant to this Contract, and all such material shall be considered "works made for hire." All such material shall be delivered to the STATE upon expiration or termination of this Contract. The STATE, in its sole discretion, shall have the exclusive right to copyright any product, concept, or material developed, prepared, assembled, or conceived by the CONTRACTOR pursuant to this Contract.

27. Liens and Warranties. Goods provided under this Contract shall be provided free of all liens and provided together with all applicable warranties, or with the warranties described in the Contract documents, whichever are greater.

28. Audit of Books and Records of the CONTRACTOR. The STATE may, at reasonable times and places, audit the books and records of the CONTRACTOR, prospective contractor, subcontractor, or prospective subcontractor which are related to:

- a. The cost or pricing data, and
- b. A state contract, including subcontracts, other than a firm fixed-price contract.

29. Cost or Pricing Data. Cost or pricing data must be submitted to the Agency procurement officer and timely certified as accurate for contracts over \$100,000 unless the contract is for a multiple-term or as otherwise specified by the Agency procurement officer. Unless otherwise required by the Agency procurement officer, cost or pricing data submission is not required for contracts awarded pursuant to competitive sealed bid procedures.

If certified cost or pricing data are subsequently found to have been inaccurate, incomplete, or noncurrent as of the date stated in the certificate, the STATE is entitled to an adjustment of the contract price, including profit or fee, to exclude any significant sum by which the price, including profit or fee, was increased because of the defective data. It is presumed that overstated cost or pricing data increased the contract price in the amount of the defect plus related overhead and profit or fee. Therefore, unless there is a clear indication that the defective data was not used or relied upon, the price will be reduced in such amount.

30. Audit of Cost or Pricing Data. When cost or pricing principles are applicable, the STATE may require an audit of cost or pricing data.

31. Records Retention.

- (1) Upon any termination of this Contract or as otherwise required by applicable law, CONTRACTOR shall, pursuant to chapter 487R, HRS, destroy all copies (paper or electronic form) of personal information received from the STATE.
- (2) The CONTRACTOR and any subcontractors shall maintain the files, books, and records that relate to the Contract, including any personal information created or received by the CONTRACTOR on behalf of the STATE, and any cost or pricing data, for at least three (3) years after the date of final payment under the Contract. The personal information shall continue to be confidential and shall only be disclosed as permitted or required by law. After the three (3) year, or longer retention period as required by law has ended, the files, books, and records that contain personal information shall be destroyed pursuant to chapter 487R, HRS or returned to the STATE at the request of the STATE.

32. Antitrust Claims. The STATE and the CONTRACTOR recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the purchaser. Therefore, the CONTRACTOR hereby assigns to STATE any and all claims for overcharges as to goods and materials purchased in connection with this Contract, except as to overcharges which result from violations commencing after the price is established under this Contract and which are not passed on to the STATE under an escalation clause.

33. Patented Articles. The CONTRACTOR shall defend, indemnify, and hold harmless the STATE, and its officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorneys fees, and all claims, suits, and demands arising out of or resulting from any claims, demands, or actions by the patent holder for infringement or other improper or unauthorized use of any patented article, patented process, or patented appliance in connection with this Contract. The CONTRACTOR shall be solely responsible for correcting or curing to the satisfaction of the STATE any such infringement or improper or unauthorized use, including, without limitation: (a) furnishing at no cost to the STATE a substitute article, process, or appliance acceptable to the STATE, (b) paying royalties or other required payments to the patent holder, (c) obtaining proper authorizations or releases from the patent holder, and (d) furnishing such security to or making such arrangements with the patent holder as may be necessary to correct or cure any such infringement or improper or unauthorized use.

34. Governing Law. The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties to this Contract, shall be governed by the laws of the State of Hawaii. Any action at law or in equity to enforce or interpret the provisions of this Contract shall be brought in a state court of competent jurisdiction in Honolulu, Hawaii.

35. Compliance with Laws. The CONTRACTOR shall comply with all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the CONTRACTOR'S performance of this Contract.
36. Conflict Between General Conditions and Procurement Rules. In the event of a conflict between the General Conditions and the procurement rules, the procurement rules in effect on the date this Contract became effective shall control and are hereby incorporated by reference.
37. Entire Contract. This Contract sets forth all of the agreements, conditions, understandings, promises, warranties, and representations between the STATE and the CONTRACTOR relative to this Contract. This Contract supersedes all prior agreements, conditions, understandings, promises, warranties, and representations, which shall have no further force or effect. There are no agreements, conditions, understandings, promises, warranties, or representations, oral or written, express or implied, between the STATE and the CONTRACTOR other than as set forth or as referred to herein.
38. Severability. In the event that any provision of this Contract is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this Contract.
39. Waiver. The failure of the STATE to insist upon the strict compliance with any term, provision, or condition of this Contract shall not constitute or be deemed to constitute a waiver or relinquishment of the STATE'S right to enforce the same in accordance with this Contract. The fact that the STATE specifically refers to one provision of the procurement rules or one section of the Hawaii Revised Statutes, and does not include other provisions or statutory sections in this Contract shall not constitute a waiver or relinquishment of the STATE'S rights or the CONTRACTOR'S obligations under the procurement rules or statutes.
40. Pollution Control. If during the performance of this Contract, the CONTRACTOR encounters a "release" or a "threatened release" of a reportable quantity of a "hazardous substance," "pollutant," or "contaminant" as those terms are defined in section 128D-1, HRS, the CONTRACTOR shall immediately notify the STATE and all other appropriate state, county, or federal agencies as required by law. The Contractor shall take all necessary actions, including stopping work, to avoid causing, contributing to, or making worse a release of a hazardous substance, pollutant, or contaminant, and shall promptly obey any orders the Environmental Protection Agency or the state Department of Health issues in response to the release. In the event there is an ensuing cease-work period, and the STATE determines that this Contract requires an adjustment of the time for performance, the Contract shall be modified in writing accordingly.
41. Campaign Contributions. The CONTRACTOR is hereby notified of the applicability of 11-205.5, HRS, which states that campaign contributions are prohibited from specified state or county government contractors during the terms of their contracts if the contractors are paid with funds appropriated by a legislative body.
42. Confidentiality of Personal Information.
- a. Definitions.
- "Personal information" means an individual's first name or first initial and last name in combination with any one or more of the following data elements, when either name or data elements are not encrypted:
- (1) Social security number;
 - (2) Driver's license number or Hawaii identification card number; or
 - (3) Account number, credit or debit card number, access code, or password that would permit access to an individual's financial information.

Personal information does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

"Technological safeguards" means the technology and the policy and procedures for use of the technology to protect and control access to personal information.

b. Confidentiality of Material.

- (1) All material given to or made available to the CONTRACTOR by the STATE by virtue of this Contract which is identified as personal information, shall be safeguarded by the CONTRACTOR and shall not be disclosed without the prior written approval of the STATE.
- (2) CONTRACTOR agrees not to retain, use, or disclose personal information for any purpose other than as permitted or required by this Contract.
- (3) CONTRACTOR agrees to implement appropriate "technological safeguards" that are acceptable to the STATE to reduce the risk of unauthorized access to personal information.
- (4) CONTRACTOR shall report to the STATE in a prompt and complete manner any security breaches involving personal information.
- (5) CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is known to CONTRACTOR because of a use or disclosure of personal information by CONTRACTOR in violation of the requirements of this paragraph.
- (6) CONTRACTOR shall complete and retain a log of all disclosures made of personal information received from the STATE, or personal information created or received by CONTRACTOR on behalf of the STATE.

c. Security Awareness Training and Confidentiality Agreements.

- (1) CONTRACTOR certifies that all of its employees who will have access to the personal information have completed training on security awareness topics relating to protecting personal information.
- (2) CONTRACTOR certifies that confidentiality agreements have been signed by all of its employees who will have access to the personal information acknowledging that:
 - (A) The personal information collected, used, or maintained by the CONTRACTOR will be treated as confidential;
 - (B) Access to the personal information will be allowed only as necessary to perform the Contract; and
 - (C) Use of the personal information will be restricted to uses consistent with the services subject to this Contract.

d. Termination for Cause. In addition to any other remedies provided for by this Contract, if the STATE learns of a material breach by CONTRACTOR of this paragraph by CONTRACTOR, the STATE may at its sole discretion:

- (1) Provide an opportunity for the CONTRACTOR to cure the breach or end the violation; or

- (2) Immediately terminate this Contract.

In either instance, the CONTRACTOR and the STATE shall follow chapter 487N, HRS, with respect to notification of a security breach of personal information.

e. Records Retention.

- (1) Upon any termination of this Contract or as otherwise required by applicable law, CONTRACTOR shall, pursuant to chapter 487R, HRS, destroy all copies (paper or electronic form) of personal information received from the STATE.
- (2) The CONTRACTOR and any subcontractors shall maintain the files, books, and records that relate to the Contract, including any personal information created or received by the CONTRACTOR on behalf of the STATE, and any cost or pricing data, for at least three (3) years after the date of final payment under the Contract. The personal information shall continue to be confidential and shall only be disclosed as permitted or required by law. After the three (3) year, or longer retention period as required by law has ended, the files, books, and records that contain personal information shall be destroyed pursuant to chapter 487R, HRS or returned to the STATE at the request of the STATE.

State of Hawaii
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
SALARY SCHEDULE

Effective Date: 07/01/2008

Bargaining Unit: 03 White Collar, Non-supervisor
04 White Collar, Supervisor

	Step A	Step B	Step C	Step D	Step E	Step F	Step G	Step H	Step I	Step J	Step K	Step L
SR12	ANN	30,036	32,424	33,756	35,064	36,516	37,968	39,480	41,040	42,684	44,412	46,176
	MON	2,503	2,702	2,813	2,922	3,043	3,164	3,290	3,420	3,557	3,701	3,848
	8HR	115.52	120.08	124.72	134.88	140.48	146.00	151.84	157.84	164.16	170.80	177.60
	HRLY	14.44	15.01	15.59	16.23	16.86	17.56	18.25	18.98	19.73	20.52	22.20
SR13	ANN	31,212	33,756	35,064	36,516	37,968	39,480	41,040	42,684	44,412	46,176	48,048
	MON	2,601	2,813	2,922	3,043	3,164	3,290	3,420	3,557	3,701	3,848	4,004
	8HR	120.08	124.72	129.84	134.88	140.48	146.00	151.84	157.84	164.16	170.80	184.80
	HRLY	15.01	15.59	16.23	16.86	17.56	18.25	18.98	19.73	20.52	22.20	23.10
SR14	ANN	32,424	33,756	35,064	36,516	37,968	39,480	41,040	42,684	44,412	46,176	49,932
	MON	2,702	2,813	2,922	3,043	3,164	3,290	3,420	3,557	3,701	3,848	4,161
	8HR	124.72	129.84	134.88	140.48	146.00	151.84	157.84	164.16	170.80	177.60	192.08
	HRLY	15.59	16.23	16.86	17.56	18.25	18.98	19.73	20.52	21.35	23.10	24.01
SR15	ANN	33,756	35,064	36,516	37,968	39,480	41,040	42,684	44,412	46,176	49,932	51,936
	MON	2,813	2,922	3,043	3,164	3,290	3,420	3,557	3,701	3,848	4,004	4,328
	8HR	129.84	134.88	140.48	146.00	151.84	157.84	164.16	170.80	177.60	184.80	199.76
	HRLY	16.23	16.86	17.56	18.25	18.98	19.73	20.52	21.35	22.20	23.10	24.97
SR16	ANN	35,064	36,516	37,968	39,480	41,040	42,684	44,412	46,176	48,048	51,936	54,012
	MON	2,922	3,043	3,164	3,290	3,420	3,557	3,701	3,848	4,004	4,328	4,501
	8HR	134.88	140.48	146.00	151.84	157.84	164.16	170.80	177.60	184.80	199.76	207.76
	HRLY	16.86	17.56	18.25	18.98	19.73	20.52	21.35	22.20	23.10	24.97	25.97
SR17	ANN	36,516	37,968	39,480	41,040	42,684	44,412	46,176	48,048	49,932	51,936	56,172
	MON	3,043	3,164	3,290	3,420	3,557	3,701	3,848	4,004	4,328	4,501	4,681
	8HR	140.48	146.00	151.84	157.84	164.16	170.80	177.60	184.80	199.76	207.76	216.08
	HRLY	17.56	18.25	18.98	19.73	20.52	21.35	22.20	23.10	24.97	25.97	27.01
SR18	ANN	37,968	39,480	41,040	42,684	44,412	46,176	48,048	49,932	51,936	56,172	58,440
	MON	3,164	3,290	3,420	3,557	3,701	3,848	4,004	4,328	4,501	4,681	4,870
	8HR	146.00	151.84	157.84	164.16	170.80	177.60	184.80	199.76	207.76	216.08	224.80
	HRLY	18.25	18.98	19.73	20.52	21.35	22.20	23.10	24.97	25.97	27.01	28.10
SR19	ANN	39,480	41,040	42,684	44,412	46,176	48,048	49,932	51,936	54,012	58,440	60,744
	MON	3,290	3,420	3,557	3,701	3,848	4,004	4,328	4,501	4,681	4,870	5,062
	8HR	151.84	157.84	164.16	170.80	177.60	184.80	199.76	207.76	216.08	224.80	233.60
	HRLY	18.98	19.73	20.52	21.35	22.20	23.10	24.97	25.97	27.01	28.10	29.20

RENTAL AGREEMENT

THIS RENTAL AGREEMENT, made and entered into this _____ day of _____, 20____, by and between the Housing and Community Development Corporation of Hawaii, a public body and a body corporate and politic of the State of Hawaii, hereinafter referred to as "Management", and _____, hereinafter referred to as "Tenant",

WITNESSETH THAT:
Management rents to Tenant the dwelling unit described below for the term, at the rental, and under the covenants and conditions stated herein.

1. DESCRIPTION OF THE DWELLING UNIT:

Address: _____, being a _____ bedroom unit in Building No. _____.

2. **TERM AND RENTAL:** The term of this Rental Agreement is for 12 months effective _____ (occupancy date) to _____. The monthly rent effective _____ is \$ _____ and shall be due and payable in advance on the first day of each calendar month. This Rental Agreement is and shall be renewed annually thereafter. This monthly rent will remain in effect unless it is changed as provided in Paragraph 6 below or this Agreement is terminated. If the tenancy ends on a date other than the last day of a month, the rent shall be prorated to the last day of the tenancy. In addition to the monthly rent as specified, payment shall include amount of utility charges based on the current rate charged by Management for gas and/or electricity for utility consumption in excess of the allowances provided in Paragraph 10 (g) and other incurred charges. There shall be allowed a grace period of seven (7) business days for payments due. A tenant receiving welfare financial benefits authorizes Management to draw monthly rental payments directly from Tenant's EBT or bank account upon thirty (30) days written notice to Tenant.

3. **SECURITY DEPOSIT:** Security Deposit to be paid by Tenant shall be \$150.00 or one month's rent whichever is lower. The Security Deposit has not been paid or received as rental and shall not be treated by Tenant as a payment of or offset against rental. The Security Deposit shall be returned if Tenant performs in accordance with this Rental Agreement and surrenders the dwelling unit and all keys thereto and pays for all damages at the expiration of this Rental Agreement. If Tenant shall default in the performance of Tenant's covenants including the payment of rent, then and without waiving any other remedies available to Management, the Security Deposit shall be applied toward satisfaction of the rent, damages, including loss or removal of property, cleaning of the premises and the restoration of the premises due to damage caused by the Tenant. Any refund under this Paragraph should be made to Tenant within fourteen (14) days after the termination of this Rental Agreement. Security Deposit is determined and paid at initial occupancy of Tenant and shall remain the same throughout occupancy.

4. **USE AND OCCUPANCY:** Tenant shall have the right to exclusive use and occupancy of the dwelling unit subject to the following:

(a) **Limited Occupancy:** Occupancy shall be restricted to the Tenant and the members of the Tenant's household who are listed on the Tenant's most current household composition declaration form(s) as used by Management as updated to show changes in the Tenant's household.

(b) **Guests and Visitors:**

(1) Tenant may accommodate Tenant's guests and visitors without prior written Management consent on a limited basis not to exceed one (1) night. For periods exceeding one (1) night, prior written Management consent is required.

(2) Tenant shall be fully responsible for the conduct of Tenant's guests and visitors while they are on the Project premises.

(c) Tenant's failure to obtain prior consent of Management as required by this Section for use and occupancy of dwelling unit may result in termination of this Agreement.

5. ELECTRICITY, GAS, AND WATER

(a) For Management-furnished utilities, Management shall pay for and furnish to Tenant water, gas and electricity in accordance with the applicable schedule of utility allowances. For Tenant-purchased utilities, Management shall provide an allowance in dollars for water, gas and electricity in accordance with the applicable schedules. Said schedules shall be posted in the Project Office (See Paragraph 10 (g)).

(b) Management shall charge Tenant for the consumption of excess gas and electricity as provided in the schedule of utility allowances and charges for excess utilities as posted in the Project Office. These charges shall be due and collectable the month in which the charge is made. Management shall accept rental payments without regard to such charges owed by Tenant if Tenant has filed or has the right to file a grievance under Management's Grievance Procedure.

6. ELIGIBILITY REEXAMINATIONS AND RENTAL ADJUSTMENTS:

(a) **Eligibility Reexaminations.** Tenant shall participate in reexaminations in accordance with Rules and Regulations available in the Project Office. Management will notify Tenant when a reexamination of the family income and composition is required to verify eligibility, dwelling size and rent to be paid. Reexaminations initiated by Management will normally occur annually but they may be scheduled earlier or later depending upon special circumstances described in the Rules. Immediately following completion of the reexamination, Tenant will be provided written notification concerning Tenant eligibility status and any change to be made in the rent or size of the unit occupied.

(b) **Interim Re-determination of Rent.**

(1) At any time between required reexaminations, Tenant may initiate a re-determination of rent when there is a change in Tenant family circumstances (such as a decrease in income) which will decrease Tenant annual income for rent as described in the schedule of rents available in the Project Office. In the event rent is decreased in accordance with this provision, Tenant agrees to report any change in Tenant family circumstances which occurs prior to the next regular reexamination, which will increase Tenant annual income and rent, will be appropriately adjusted. Tenant shall report all changes within ten (10) business days.

(2) At any time between required reexaminations, Management may initiate a re-determination of rent to correct errors or to investigate alleged undercharging because Tenant has submitted false information or has withheld valuable information or has made willful misstatements.

(c) **Effective Date of Rent Adjustments.**

(1) Whenever there is a change in the monthly rent, Management will deliver to or mail to Tenant, a written notice reflecting change.

(2) Rent adjustments resulting from Management initiated reexaminations in Paragraph 6 (a) above will be effective the first of the month of the established reexamination date.

(3) Interim decreases in rent resulting from a re-determination as provided in Paragraph 6 (b) above will be effective the first of the month following the month in which a change, which justifies a decrease, is reported to Management. Decreases will be made retroactive only to correct an error.

- (r) Not keep or permit to be kept any animal, as a pet or otherwise, in or about the dwelling unit, except as provided by law and, in all other housing, in accordance with the Pet Policy which is incorporated by reference;
- (s) Refrain from storing any unlicensed, inoperable or abandoned vehicle on the Project premises; and if the vehicle is required to be towed by Management, upon billing, Tenant shall pay for any charges incurred by Management;
- (t) Comply with all obligations imposed upon Tenants by applicable provisions of building and housing requirements of applicable building codes, housing codes, health codes, materially affecting health and safety;
- (u) Comply with all HUD regulations pertaining to the requirement that all adult household members, unless exempt, participate for at least eight hours per month in community service or an economic self-sufficiency program; non-compliance will result in denial of lease renewal; and
- (v) Must be physically present and residing in the dwelling unit.

9. ENTRY OF PREMISES:

- (a) Management shall, upon reasonable advance notification to the Tenant, be permitted to enter the dwelling unit during regular business hours to examine the condition thereof, or to make necessary improvements or repairs or to show the premises for re-leasing. A written statement specifying the purpose of the entry delivered to the premises at least two (2) days before such entry shall be considered reasonable advance notification;
- (b) Management may enter the premises at any time without advance notification when there is reasonable cause to believe that an emergency exists;
- (c) In the event that the Tenant and all adult members of Tenant household are absent from the premises at the time of entry, Management shall leave on the premises a written statement specifying the date, time and purpose of entry prior to leaving the premises.

10. MUTUAL COVENANTS: Management and Tenant mutually agree as follows:

- (a) Tenant acknowledges receipt of a copy of the Project Rules and agrees that the Project Tenant Association by majority vote of all Tenants of the Project and with approval of Management may amend such Rules from time to time. Any such amendment shall be effective ten (10) days after a copy thereof is conspicuously posted in the Project Office and delivered to Tenant or mailed to Tenant at the address of the dwelling unit;
- (b) Any notice required hereunder to Tenant shall be sufficient if delivered or mailed to Tenant. If Tenant is visually impaired, Tenant may request all notices in an accessible format. Notice to Management shall be sufficient if personally presented in writing to Management during regular business hours at the Project Office, or mailed to the Project Manager;
- (c) Management and Tenant or Tenant's representative shall jointly inspect the dwelling unit on or before the occupancy date. Management shall give a written statement describing the condition of the dwelling unit and its equipment. The statement shall be signed by the Tenant, and a copy of the statement shall be retained by Management in the Tenant's folder. Upon termination of this Agreement, Management will inspect the dwelling unit and give the Tenant a written statement of the charges, if any, for which the Tenant is responsible. The Tenant or Tenant representative shall be notified of the date and time for the inspection and may participate except, if the Tenant vacates without notice to Management;
- (d) Tenant shall keep Tenant property, including automobile, household furniture, personal effects and valuables in the dwelling unit and on Project premises at Tenant risk, and Management shall not be liable for loss or any damage thereto by theft, fire, water or any other cause;
- (e) Management shall not be liable to Tenant or any other person for the temporary failure of the gas, electric or water service, or from failures or breakdown of any appliance or equipment, not caused by any act or omission of Management. If any of the electrical and other appliances and equipment furnished for the use of Tenant shall become unserviceable, Management shall have a reasonable time after notification to determine whose responsibility it is and have the same repaired or replaced;
- (f) In the event the premises are damaged to the extent that conditions are created which are hazardous to the life, health or safety of Tenant, the following provisions shall apply:
 - (1) Tenant shall immediately notify Management of the damage;
 - (2) Management shall be responsible for repair of the unit within forty-eight (48) hours, provided that if the damage was caused by Tenant, Tenant's household member or guests, reasonable cost of repairs shall be charged to Tenant;
 - (3) Management shall offer standard alternative accommodations, if available, in circumstances where necessary repairs cannot be made within forty-eight (48) hours; and
 - (4) In the event that repairs are not made or alternative accommodations are not provided within forty-eight (48) hours, Tenant may request abatement of rent in proportion to the seriousness of the damage and loss in value as a dwelling which proportion shall be determined by mutual agreement of Tenant and Management or through the Grievance Procedure, except that no abatement of rent shall occur if Tenant rejects the alternative accommodation or if the damage was caused by Tenant, Tenant's household or guests;
- (g) Schedules of special charges for services, repairs and utilities and rules and regulations that are incorporated by reference herein shall be publicly posted in a conspicuous manner in the Project Office and shall be furnished to Tenant upon request. Such schedules and rules and regulations may be modified from time to time and Management shall give at least thirty (30) days written notice to Tenant setting forth the proposed modifications, if applicable to Tenant, and the reasons therefore. Management shall provide Tenant an opportunity to present written or oral comments, which shall be taken into consideration prior to proposed modifications becoming effective. A copy of such notice shall be:
 - (1) Delivered directly or mailed to Tenant; or
 - (2) Posted in at least three (3) conspicuous places within each structure or building in which the affected dwelling unit is located, as well as in a conspicuous place in the Project Office;
- (h) Acceptance of payment by Management shall not be deemed a waiver by it or of any prior breach by Tenant;
- (i) If the rent or any amount hereunder is not paid within ten (10) days of lease termination date, Management may employ a collector and/or attorney to collect the same, and Tenant will pay a reasonable attorney's fee or commission not exceeding 25% of the unpaid principal balance together with all costs and interest at the maximum percentage allowable by State Law per annum until the amount is paid in full;

Years 2010 and 2011

Holidays to be Observed by the HAWAII STATE GOVERNMENT

www.hawaii.gov/hrd

Website where State Holiday Schedule posted.

Compiled by the State Department of Human Resources Development, created 6/2009. Accurate as of date of compilation. For use by State government agencies. See footnotes for more information. Sources: Hawaii Revised Statutes as amended; State Constitution as amended; and the Reference Desk of the Hawaii State Library.

YEAR 2010 HAWAII STATE HOLIDAYS

<u>(Hawaii Revised Statutes, Sec. 8-1)</u>	<u>Day Observed in 2010</u>	<u>Official Date Designated in Statute/Constitution</u>
New Year's Day	Jan. 1 Friday	The first day in January
Dr. Martin Luther King, Jr. Day	Jan. 18 Monday	The third Monday in January
Presidents' Day	Feb. 15 Monday	The third Monday in February
Prince Jonah Kuhio Kalaniana'ole Day ...	Mar. 26 ... Friday	The twenty-sixth day in March
Good Friday	Apr. 2 Friday	The Friday preceding Easter Sunday
Memorial Day	May 31 ... Monday	The last Monday in May
King Kamehameha I Day	June 11 ... Friday	The eleventh day in June
Independence Day	July 5 Monday	The fourth day in July
Statehood Day	Aug. 20 .. Friday	The third Friday in August
Labor Day	Sept. 6 Monday	The first Monday in September
General Election Day	Nov. 2 Tuesday	The first Tuesday in Nov. following the first Monday of even-numbered years. (<i>Hawaii State Constitution, Article 2 – Section 8</i>)
Veterans' Day	Nov. 11 ... Thursday ...	The eleventh day in November
Thanksgiving	Nov. 25 ... Thursday ...	The fourth Thursday in November
Christmas	Dec. 24 ... Friday	The twenty-fifth day in December
2011 New Year's Day	Dec. 31 ... Friday	The first day in January

YEAR 2011 HAWAII STATE HOLIDAYS

<u>(Hawaii Rev. Statutes, Sec. 8-1)</u>	<u>Day Observed in 2011</u>	<u>Official Date Designated in Statute/Constitution</u>
2011 New Year's Day	Dec. 31, 2010 Friday	The first day in January
Dr. Martin Luther King, Jr. Day	Jan. 17 Monday	The third Monday in January
President's Day	Feb. 21 ... Monday	The third Monday in February
Prince Jonah Kuhio Kalaniana'ole Day ...	Mar. 25....Friday	The twenty-sixth day in March
Good Friday	Apr. 22 ... Friday	The Friday preceding Easter Sunday
Memorial Day	May 30 ... Monday	The last Monday in May
King Kamehameha I Day	June 10 ... Friday	The eleventh day in June
Independence Day	July 4 Monday	The fourth day in July
Statehood Day	Aug. 19 .. Friday	The third Friday in August
Labor Day	Sept. 5 Monday	The first Monday in September
Veterans' Day	Nov. 11 ... Friday	The eleventh day in November
Thanksgiving	Nov. 24 ... Thursday ...	The fourth Thursday in November
Christmas	Dec. 26 ... Monday	The twenty-fifth day in December

FOOTNOTES: Hawaii Revised Statutes (HRS) 8.2 requires holidays that fall on Saturdays to be observed on the preceding Friday, and holidays that fall on Sundays to be observed on the following Monday. Due to 2011 New Year's Day falling on Saturday January 1, HRS 8.2 requires it to be observed the preceding Friday in 2010. As of September 2001, these are the legal holidays defined in the HRS to be observed by the State, the State Judiciary, and county governments in Hawaii. Federal government and local banking holidays differ. Public school "breaks" are not included. For State agencies that operate on other than Monday-Friday schedules, also refer to appropriate collective bargaining agreements. Election days are established by the State Constitution. This list does not reflect State furlough dates. Created 6/17/2009.

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